



**2023 – 2027 Five-Year Consolidated Plan  
Annual Action Plan 2023 – 2024**

**Virginia Department of Housing and Community Development  
600 E. Main St., Ste. 300  
Richmond, VA 23219**

# Executive Summary

## ES-05 Executive Summary - 91.300(c), 91.320(b)

### 1. Introduction

The Consolidated Plan is in effect from July 1, 2023 – June 30, 2028. The Department of Housing and Community Development (DHCD) developed this plan through a comprehensive statewide effort that included a needs assessment leveraging existing data, input sessions and surveys, and consultations with housing and social service agencies and other entities. DHCD will use the resulting plan and document to allocate Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), HOME Investment Partnership (HOME), HOME American Rescue Plan (HOME ARP), Housing Opportunities for People with AIDS (HOPWA) program funds, and the National Housing Trust Funds (NHTF) within the Commonwealth of Virginia.

### 2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The commonwealth is extremely diverse in its racial and ethnic composition, and there are numerous areas across the state with concentrated populations, including African American, Hispanic, Asian, and others. In addition, the state has multiple and varying housing and non-housing challenges. These challenges vary substantially from region to region.

The needs assessment and market analysis identified three priority needs:

- Lack of affordable and safe housing
- Individuals and families experiencing homelessness and housing insecurity
- Barriers to competitive and sustainable communities.

Overall DHCD's goals are to target these federal resources (CDBG, ESG, HOME, National Housing Trust Fund (NHTF), HOPWA, and HOME-ARP) and to leverage other state resources to address these needs by:

- Increasing access to affordable and safe housing units
- Decreasing the number individuals and families experiencing housing instability
- Creating competitive and sustainable communities.

DHCD works with many partners to accomplish these goals. These partners include units of local government, other state agencies, housing developers, Community Housing Development Organizations (CHDO), nonprofits, and regional planning groups.

While work on these goals is ongoing the commonwealth will incorporate other specific strategies to help meet these goals. These include a plan to address the barriers to fair housing, a plan to end homelessness, measures to address lead-based paint hazards, and anti-poverty measures.

### **3. Evaluation of past performance**

Over the past five years DHCD has made significant progress toward increasing the number of affordable housing units and working with localities to create competitive and sustainable communities. DHCD will continue activities and initiatives that have proven effective, as well as look for opportunities to improve on the work that has been done in the past.

In addition, DHCD will continue work to decrease the number of people experiencing homelessness in Virginia. DHCD will also focus on reducing the length of time people are experiencing homelessness and reducing the number of people who return to homelessness. DHCD will leverage both state and federal (ESG) resources to focus on these goals.

### **4. Summary of citizen participation process and consultation process**

In the winter of 2022 and 2023, DHCD held a series of input sessions that include general Consolidated Plan Input Sessions, including sessions focusing specifically on affordable housing development, homeless services, and community development. In total, the input sessions had over 200 participants. Session participants included:

- Private and public housing providers
- Homeless service and prevention providers
- Regional planning organizations
- Local government and housing authorities
- Other state agencies
- Nonprofit and government service providers
- Advocates

The input sessions focused on gathering feedback on priorities and strategies to address the homelessness, housing, and community development needs in Virginia. In addition to these sessions, DHCD held a public hearing and accepted public comments.

### **5. Summary of public comments**

At the publishing of this draft plan, DHCD is still in the process of collecting comments. DHCD will summarize and include responses after the comment period closes on May 15, 2023.

### **6. Summary of comments or views not accepted and the reasons for not accepting them**

At the publishing of this draft plan, DHCD is still in the process of collecting comments. DHCD will summarize and include responses after the comment period closes on May 15, 2023.

## **7. Summary**

Please see attached summary of written comments.

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# Needs Assessment

## NA-05 Overview

### Needs Assessment Overview

Regional differences result in varying housing and community development needs across the commonwealth. Virginia's population has increased by about 10 percent since 2009, but growth has not been evenly distributed. The Urban Crescent, including Northern Virginia, the Richmond metropolitan region, and the Hampton Roads area, has seen the most growth, while rural areas in Virginia's Southwest and Southside are experiencing aging populations. Population growth outpaces the growth in housing supply by several percentage points each year, resulting in a consistently tight housing market and a need for more supply. Estimates suggest that Virginia needs to construct about 300,000 affordable units in order to house the low-income rental population alone. Cost-burden and affordability are the primary housing problems in the commonwealth, and a small but particularly vulnerable population also experiences crowding and insufficient quality housing. The Commonwealth of Virginia has reduced its homelessness rate significantly over the last decade but experienced a slight uptick during the Covid-19 pandemic. Significant community development priorities include healthcare services, water and sewer projects, broadband, and workforce development.

## NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

### Summary of Housing Needs

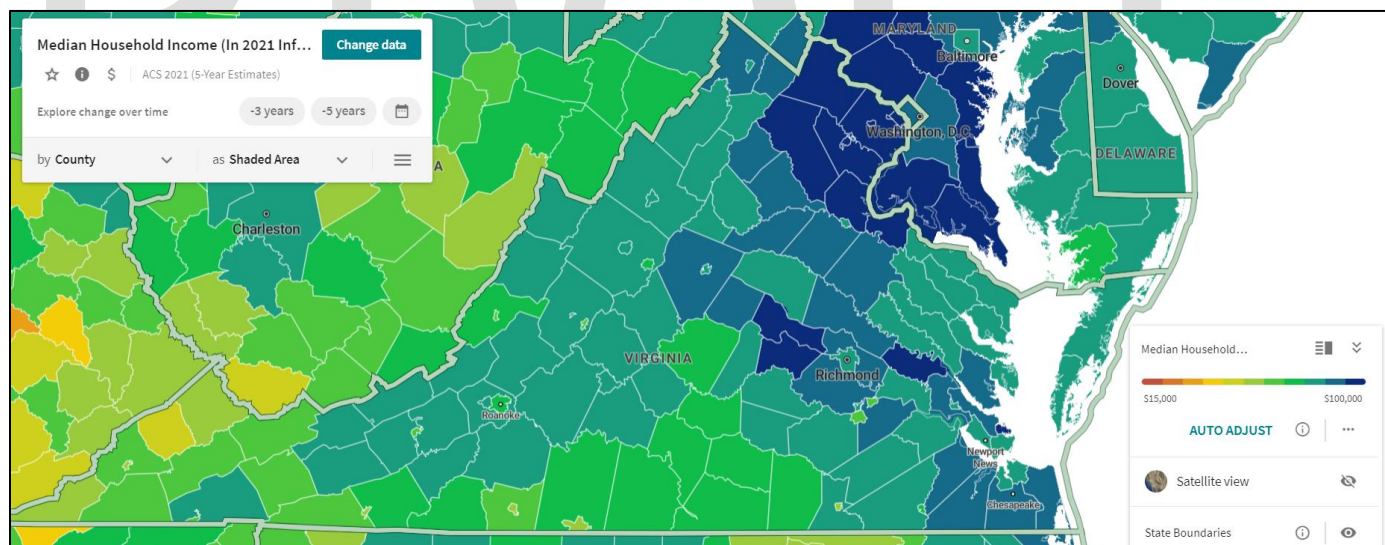
Based on a state-wide housing study performed in 2021, approximately 29% of all Virginians are cost-burdened, including 22% of homeowners and 45% of renters. Housing cost burden is rising for nearly all households with incomes below the statewide average income but disproportionately affects non-white households, female-headed households, and seniors. Virginia needs approximately 300,000 more affordable housing units to eliminate housing cost burden just among low-income renters across the state. Housing that lacks complete plumbing and crowding are problems that affect small percentages of Virginians, but they are unequally distributed, with low-income and rural households being the most likely to lack sufficient plumbing and low-income renters in large metropolitan areas being the most likely to experience crowding conditions. Homelessness has generally decreased across the commonwealth over the last decade, but there have been upticks since the Covid-19 pandemic.

Demographics	Base Year: 2009	Most Recent Year: 2020	% Change
Population	7,721,730	8,509,358	10.2%
Households	2,936,634	3,184,121	8.4%
Median Income	\$60,316.00	\$76,398.00	26.7%

**Table 1 - Housing Needs Assessment Demographics**

**Data Source:** 2009 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Income is not distributed evenly across the commonwealth, with Northern Virginians having much higher incomes on average, while Southwest and Southside Virginia have lower incomes.



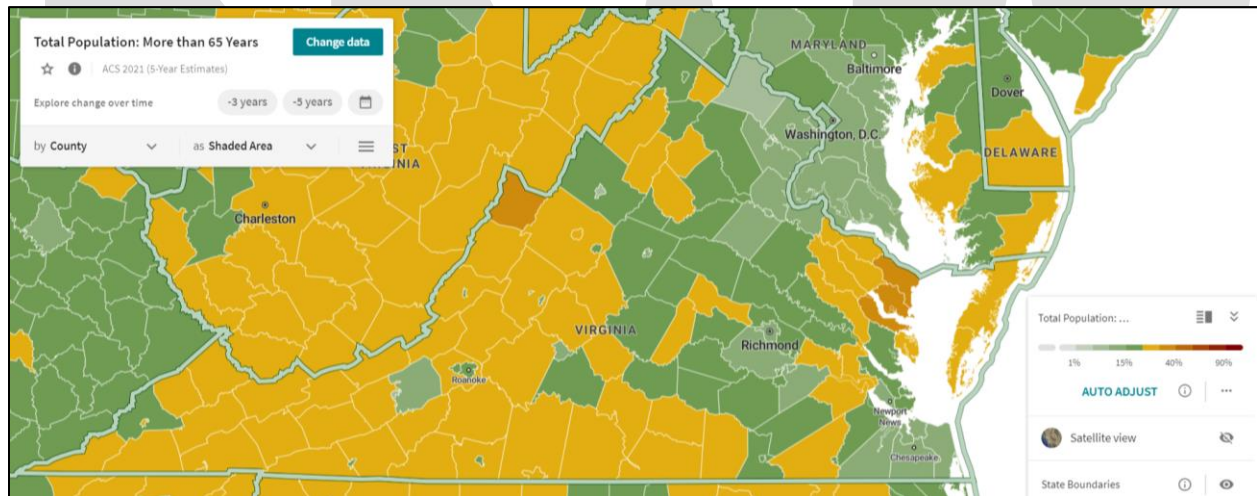
Median Household Income (In 2021 Dollars); ACS 2021 5-Year Estimates

## Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	385,825	348,740	459,060	321,990	1,635,430
Small Family Households	112,300	115,375	166,330	130,335	850,685
Large Family Households	24,265	27,700	35,230	28,830	132,140
Household contains at least one person 62-74 years of age	81,490	82,795	109,200	74,695	375,925
Household contains at least one person age 75 or older	62,390	63,075	66,420	36,755	125,590
Households with one or more children 6 years old or younger	62,170	65,595	73,120	127,800	234,995

Table 2 - Total Households Table

Data Source: 2015-2019 CHAS



Total Population Over 65 Years of Age; ACS 2021 5-Year Estimates

## Housing Needs Summary Tables

### 1. Housing Problems (Households with one of the listed needs)

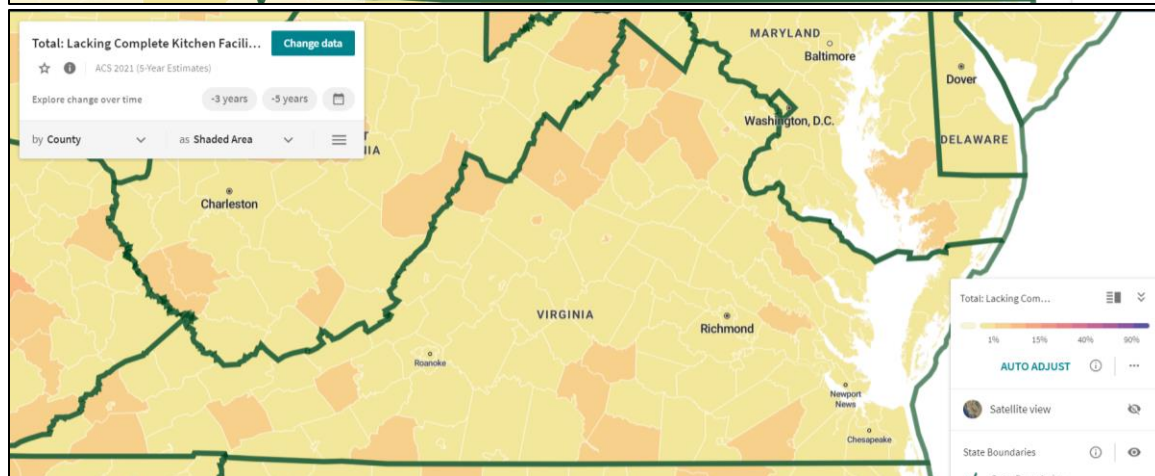
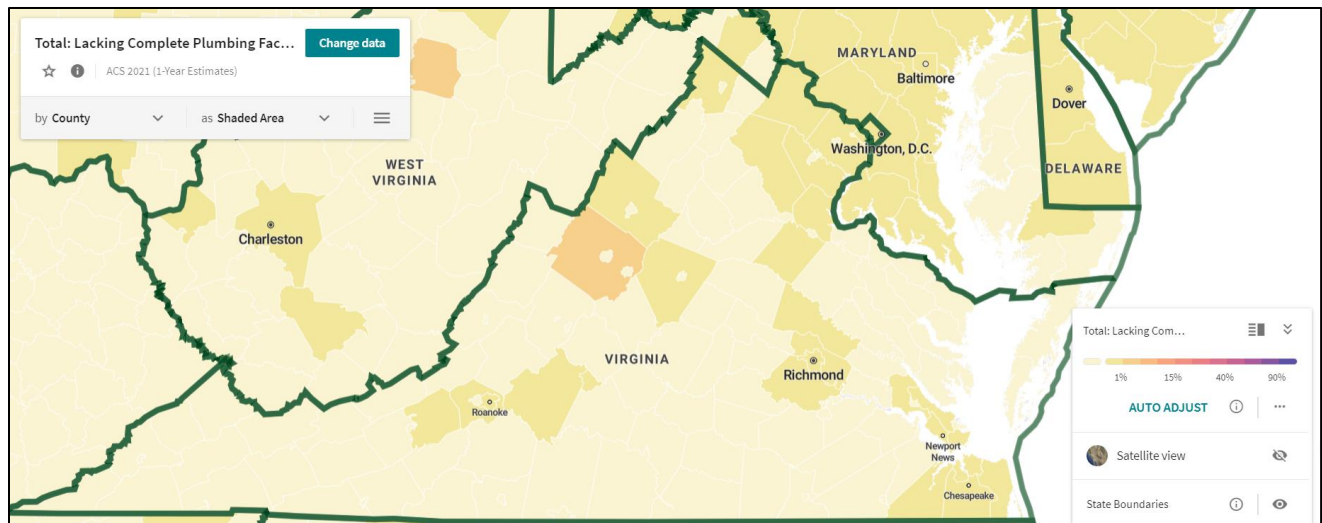
	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	5,675	3,020	2,830	1,525	13,050	1,720	1,150	1,190	535	4,595
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	4,140	2,530	2,040	1,325	10,035	280	380	545	455	1,118
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	7,465	7,305	5,040	3,175	22,985	1,605	2,350	2,670	2,480	6,695
Housing cost burden greater than 50% of income (and none of the above problems)	143,615	48,970	7,810	1,470	201,865	77,880	42,050	22,090	6,980	149,000



	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
Housing cost burden greater than 30% of income (and none of the above problems)	25,780	80,930	77,580	22,515	206,805	24,060	44,500	69,085	42,055	179,700
Zero/negative Income (and none of the above problems)	20,795	0	0	0	20,795	13,570	0	0	0	13,570

**Table 3 – Housing Problems Table**

Data Source: 2015-2019 CHAS



Households lacking complete kitchen facilities; ACS 2021 5-Year Estimates

## 2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	186,680	142,760	95,305	30,005	454,750	105,545	90,430	95,575	52,505	344,055

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Having none of four housing problems	34,620	35,380	99,340	85,660	599,055	25,330	80,175	168,850	153,820	428,175
Household has negative income, but none of the other housing problems	20,795	0	0	0	20,795	13,570	0	0	0	13,570

**Table 4 – Housing Problems 2**

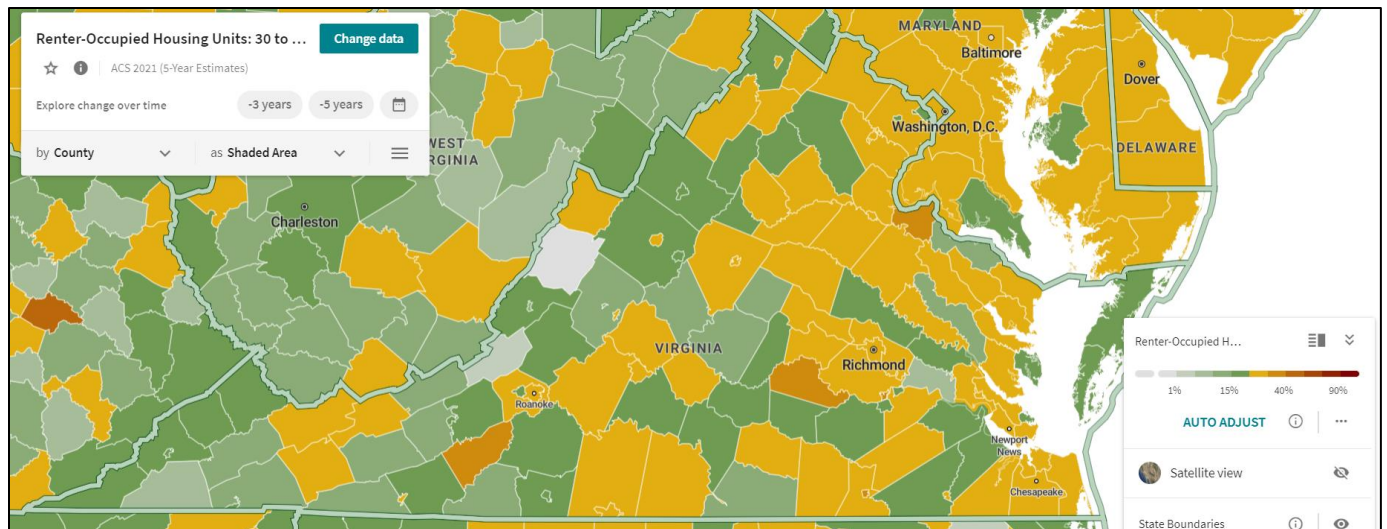
Data Source: 2015-2019 CHAS

### 3. Cost Burden > 30%

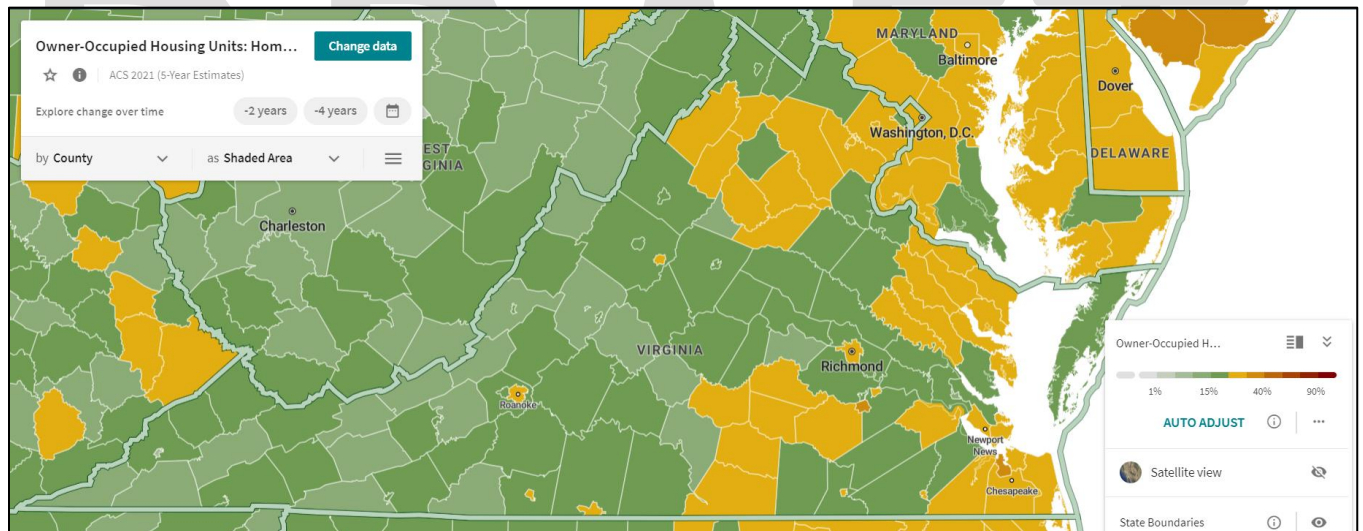
	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	9,990	38,365	31,125	79,480	4,255	13,500	27,660	45,415
Large Related	2,570	8,720	4,570	15,860	1,180	4,650	6,730	8,560
Elderly	8,170	14,850	11,585	34,605	15,885	21,040	21,340	58,265
Other	7,680	25,855	32,870	66,405	3,390	6,425	14,385	24,200
Total need by income	28,410	87,790	80,750	196,350	24,710	45,615	70,115	136,440

**Table 5 – Cost Burden > 30%**

Data Source: 2015-2019 CHAS



Renter-Occupied Housing Units Spending 30-50% of Income on Housing (Cost-Burdened); ACS 2021 5-Year Estimates



Owner-Occupied Housing Units Spending 30-50% on Selected Housing Costs (Cost-Burdened); ACS 2021 5-Year Estimates

#### 4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	55,335	18,505	2,235	76,075	13,475	7,895	2,750	24,120
Large Related	12,020	2,970	415	15,405	4,405	2,680	960	8,045
Elderly	30,445	10,965	2,610	44,020	38,760	18,750	9,510	67,020

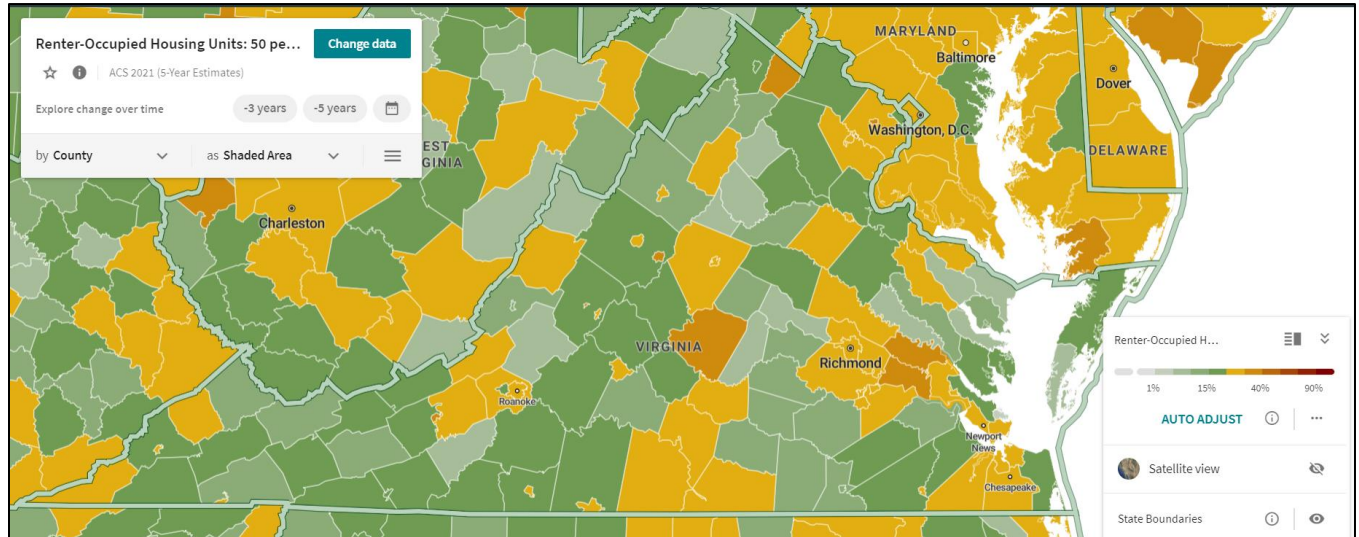


	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Other	56,945	18,645	3,030	78,620	16,225	7,575	3,905	27,705
Total need by income	154,745	51,085	8,290	144,120	72,865	34,480	17,125	126,890

**Table 6 – Cost Burden > 50%**

**Data** 2015-2019 CHAS

**Source:**



**Renter-Occupied Housing Units Spending more than 50% of Income on Housing (Severe Cost-Burden); ACS 2021 5-Year Estimates**



**Owner Occupied-Housing Units Spending more than 50% of Income on Selected Housing Costs (Severe Cost-Burden); ACS 2021 5-Year Estimates**

## 5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	9,925	8,120	5,410	3,770	27,225	1,460	1,960	2,365	1,845	7,630
Multiple, unrelated family households	1,115	3,080	1,190	445	5,830	455	795	830	1,030	3,110
Other, non-family households	900	475	640	420	2,435	70	8	65	45	188
Total need by income	11,940	11,675	7,240	4,635	35,490	1,985	27,633	3,260	2,920	10,928

Table 7 – Crowding Information – 1/2

Data Source: 2015-2019 CHAS

### Describe the number and type of single person households in need of housing assistance.

In the most recent Point-In-Time (PIT) count for which data is available (January 2022), 6,529 individuals (adults and children) were experiencing homelessness, with 4,223 being individuals in single-person households. This represents a 16% decline since 2010. Slightly more than 1,300 of those individuals were considered to be chronically homeless, a 12% decline over the same period. The majority, 69% of homeless individuals were males, while 30% were female and 1% were nonbinary, transgender, or questioning. Black Virginians were disproportionately represented in this population, with 46% of single adults experiencing homelessness being Black. About 48% were white, 1% were Asian American or Pacific Islander, 1% were Indigenous, and 4% were mixed race. Latinos of any race made up 6% of this population. 651 individual adults were unsheltered on this night in 2022.

More than 200,000 non-family households, most of which are single-person households, experience cost-burden, and an additional 195,000 experience severe cost burden. Senior homeowners who live alone face a particularly high burden, with 35% being cost burdened, and 17% of them severely cost-burdened.

### Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

Based on data provided by the Virginia Sexual and Domestic Violence Action Alliance (Action Alliance), 3,793 (12%) of the clients served who were experiencing domestic violence, dating violence, sexual assault, or stalking, were reported as being homeless at the time of service. Of those receiving advocacy (in-person) services, 3,816 adults and 2,448 children accessed shelter or emergency housing services

while there were 8,352 persons who noted they needed shelter for the following reasons: 52% domestic violence imminent danger; four percent sexual assault imminent danger; 29% domestic violence homeless; 25% sexual assault homeless and 11% homeless. Addition to advocacy services, many people contact the Hotline and may or may not receive further

services. The hotline received 77,369 contacts during the same 2021 calendar year. Of these, 7,747 identified that they were homeless at the time of their contact. Additionally, 11,648 requested emergency shelter/housing and approximately 50% of these requests were met and are included in the advocacy services above. The reasons for not receiving emergency shelter/housing included: shelter full- 10%, outside area - 28%, does not meet criteria - 62%.

According to the Virginia Board for People with Disabilities, Virginia has made progress towards successful community integration, independent living, and choice of housing. However, costs are increasing for people with disabilities. Nearly half a million households in Virginia have at least one member with a disability (hearing or vision, ambulatory, cognitive, or self-care/living limitation) and have at least one of the four housing problems.

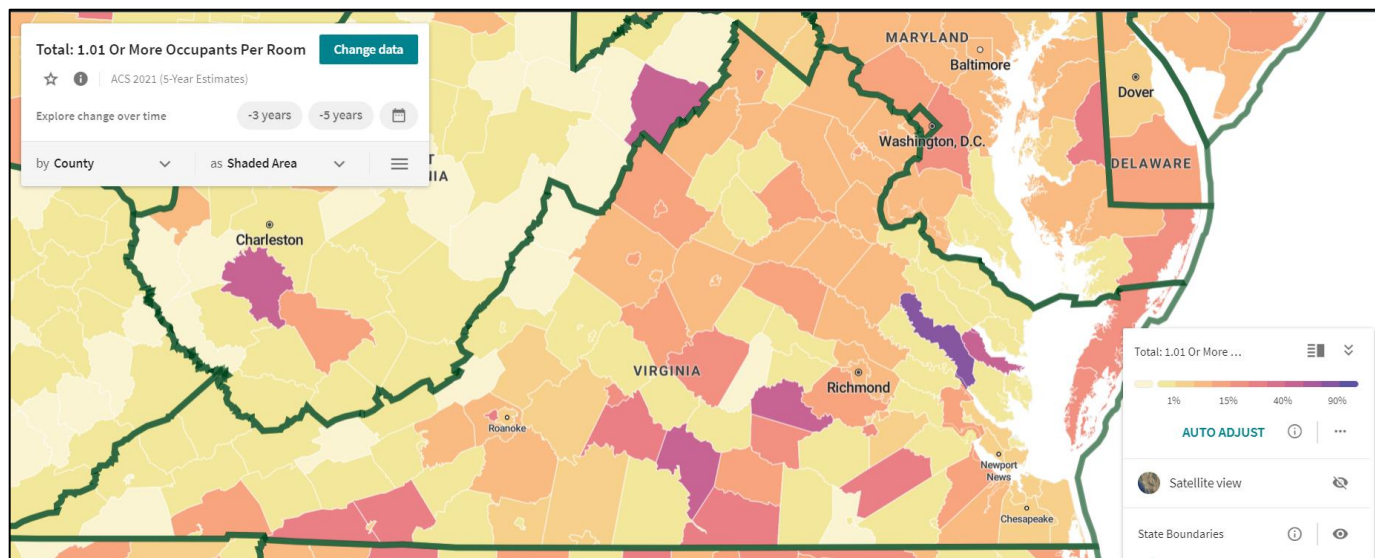
#### **What are the most common housing problems?**

Housing problems are defined to include incomplete plumbing or kitchens, overcrowding, and housing cost burden (paying more than 30 percent of household income on housing costs). The most common housing problem across all income levels, household types, and regions of the commonwealth is housing cost burden, with low-income households most impacted by high housing costs.

#### **Are any populations/household types more affected than others by these problems?**

Virginia has diligently worked over the past several decades to bring sanitary indoor plumbing to all homes across the state through publicly assisted upgrades and private investments. Today only about one percent of all homes lack full plumbing and/or kitchen facilities. However, housing still in need of these critical upgrades is typically occupied by extremely and very low-income Virginians, particularly renters and rural homeowners.

Overcrowded homes are also relatively rare across Virginia, representing just two percent of all households, or approximately 61,000 households. Most overcrowded households are in Large Markets and occupied by renters with incomes below 50 percent AMI. Homeowners in other markets, especially those outside of the urban crescent, are the least likely to live in overcrowded homes. Overcrowded housing conditions are more likely to be experienced by Hispanics and persons of Another Race—which includes Indigenous peoples—than any other group. While overcrowding conditions have been rising for all groups, this rise has been more greatly felt by households identifying as Multiracial, Asian, and Hispanic.



More than 1.01 Occupants Per Room (Hispanics Only); ACS 2021 5-Year Estimates

Housing cost burden for homeowners making more than 50 percent AMI has been decreasing across Virginia, but this trend does not hold for homeowners with lower incomes. The share of homeowners making 50 percent AMI or less who are cost-burdened has remained steady since 2010. The rate of cost-burdened households is much higher for Hispanic homeowners (31 percent) and Black homeowners (30 percent) than it is for white homeowners (20 percent). All other minorities also have higher-than-average homeowner cost burden rates. The rate of cost-burdened households among homeowners of color has declined since 2010; the likeliest cause of this change is the transition of previously cost-burdened homeowners to becoming renters as the result of the foreclosure crisis and subsequent recession. This is reflected in the county-level data maps, which show higher levels of owner cost-burden in the more diverse Urban Crescent and in Southside, which has a large population of Black residents, than in other parts of the state.

While all other racial groups have experienced a decrease in their share of cost-burdened renters, Black and Hispanic or Latino renter cost burden has increased since 2010. Nearly half of Black and Hispanic renters were cost-burdened in 2017; diminished hours and lost jobs during the pandemic put a large number of renters of color at risk of eviction and homelessness. But seniors living alone are more likely to be severely cost-burdened than any other household type. In 2017, over half of elderly non-family households (56 percent) were severely cost-burdened. Rising rental costs can be catastrophic for the



many seniors living on fixed incomes. Households making less than 100 percent AMI are increasingly becoming cost burdened. This shift is most apparent for low-income (51 to 80 percent AMI) and moderate-income (81 to 100 percent AMI) households. Between 2010 and 2017, the share of cost-burdened low-income renters grew six percent and the share of cost-burdened moderate-income renters increased four percent. Affordability for ELI households (less than or equal to 30 percent AMI) and VLI households (31 to 50 percent AMI) is even worse. Over 80 percent of ELI and VLI households are cost-burdened, while 65 percent of ELI households are severely cost-burdened. Renter cost-burden is more common for all kinds of households across the state, but like owner cost-burden, it is still more prominent in the Urban Crescent and Southside, though some whiter rural communities also experience very high levels of renter cost-burden.

**Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance.**

Families living in poverty spend a higher proportion of their household income on basic necessities. An individual working a minimum wage job would have to work 78 hours per week to afford a modest 1-bedroom rental home at Fair Market Rent in Virginia. On average, these families have fewer assets (cars, houses, savings) to leverage during a crisis. Many (35%) of these families are single female-headed households with children. While it is difficult to predict which families will become homeless, many who do report staying with families or friends as their prior living situation. For those families who do become homeless, most transition to permanent housing with little or no ongoing homeless services. These families may have established or re-established a support system that likely includes at least some mainstream resources. A small number of families, particularly those with disabilities, will require longer-term rental subsidies and support services. In addition, both families at risk and formerly homeless commonly need transportation, employment opportunities, affordable childcare, and access to mental health and substance abuse services. During the 2019-20 program year, prevention funding provided assistance to 3,285 individuals (1,196 households). Nine hundred and eighty-eight exited prevention services and of those, over 99.4% were prevented from homelessness. Fifty-one percent of those who received homeless prevention services were children under the age of 18. Eleven percent had a serious mental illness and 22% were veterans.

**If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:**

Not applicable.

**Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness**

At the household level, instability is related to poverty, income and benefits changes, job loss, changes in family composition, family conflict, or poor physical and mental health. Using the National Survey of Children's Health, Murphey, Bandy, and Moore (2012) found that children in low-income families were more than four times as likely to experience residential instability (five or more moves) as children in families with incomes twice or more of the federal poverty level. Being cost-burdened is connected to housing instability. The gap between household earnings and housing costs contributes to residential instability. The high share of household earnings dedicated to rent means that families have to cut back on other expenditures, such as food, health care, or savings, causing spillover effects for individual and community well-being. Households with children are more likely to be frequent movers. Households with children also face obstacles in their housing searches because of maximum occupancy limits, pressure to re-house quickly with children, and family discrimination in rental markets (Aron et al. 2016). Additional research shows how intrafamilial conflict and intimate partner violence can lead to residential instability reflected in frequent moves or "psychological housing instability" related to personal safety and stress within the home (O'Campo et al. 2016).

Damage or disrepair, housing code violations, and conflicts with landlords can lead to foreclosure or eviction. The Joint Center for Housing Studies (2015) reports that one in seven affordable housing units (renting for less than \$650 a month) is physically inadequate. Similarly, neighborhood-level elements, such as blight, demolition, crime, socioeconomic change, and gentrification, can intensify residential instability. In cities with tight housing markets, neighborhood change and increasing housing costs force low-income renters out of neighborhoods. Conversely, high foreclosure and vacancy rates in weak markets motivate renters to leave neighborhoods. Neighborhood-level causes are often linked to larger trends at the metropolitan area or housing market level that influence renter and landlord behavior and can intensify residential instability. Across all of Virginia, there are only 37 affordable units for every 100 extremely low-income households and 60 affordable units for every 100 very-income households. With this shortage of affordable housing, many low-income households are pushed into housing they cannot afford, exacerbating instability and increasing the likelihood of homelessness.

## NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

#### 0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	292,225	93,600	35,315
White	148,580	54,290	20,765
Black / African American	91,485	26,975	8,670
Asian	13,555	5,295	2,850
American Indian, Alaska Native	825	415	85
Pacific Islander	90	80	70
Hispanic	29,535	4,400	2,035

**Table 8 - Disproportionally Greater Need 0 - 30% AMI**

Data Source: 2015-2019 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

#### 30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	233,190	115,555	0
White	118,980	80,560	0
Black / African American	66,550	22,485	0
Asian	12,315	3,675	0
American Indian, Alaska Native	675	305	0
Pacific Islander	24	30	0
Hispanic	28,650	6,665	0

**Table 9 - Disproportionally Greater Need 30 - 50% AMI**

Data Source: 2015-2019 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

#### 50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	190,880	268,190	0
White	111,890	182,090	0
Black / African American	47,015	58,825	0
Asian	8,665	6,705	0
American Indian, Alaska Native	525	495	0
Pacific Islander	165	335	0
Hispanic	17,900	15,855	0

**Table 10 - Disproportionally Greater Need 50 - 80% AMI**

Data Source: 2015-2019 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

#### 80%-100% of Area Median Income

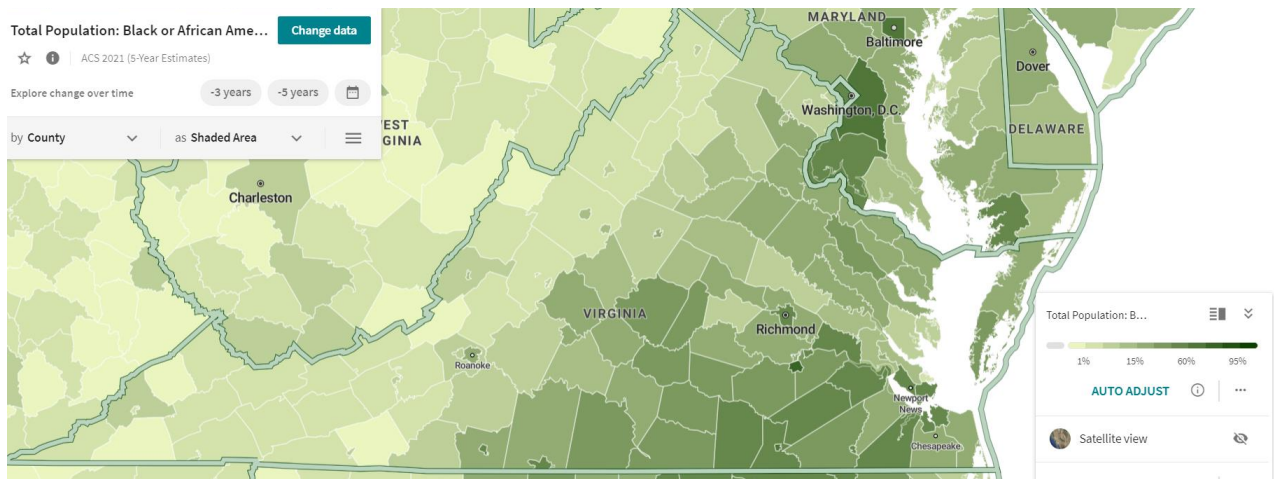
Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	82,510	239,480	0
White	51,830	162,810	0
Black / African American	13,470	47,640	0
Asian	6,885	7,665	0
American Indian, Alaska Native	180	605	0
Pacific Islander	20	265	0
Hispanic	8,225	15,230	0

**Table 11 - Disproportionally Greater Need 80 - 100% AMI**

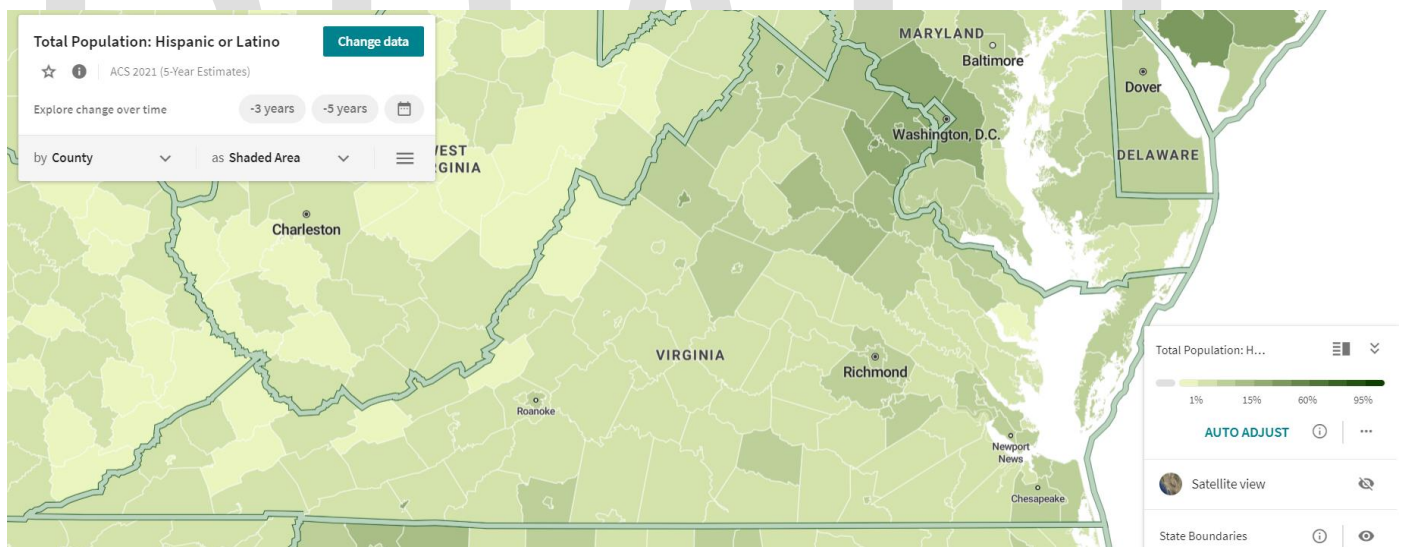
Data Source: 2015-2019 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%



Total Population Black or African American; ACS 2021 5-Year Estimates



Total Population Hispanic or Latino; ACS 2021 5-Year Estimates

## NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

#### 0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	242,385	143,440	35,315
White	124,680	81,190	20,765
Black / African American	74,975	43,485	8,670
Asian	11,800	7,055	2,850
American Indian, Alaska Native	745	500	85
Pacific Islander	80	90	70
Hispanic	26,070	7,860	2,035

**Table 12 – Severe Housing Problems 0 - 30% AMI**

Data Source: 2015-2019 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

#### 30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	107,755	240,985	0
White	55,160	144,380	0
Black / African American	28,555	60,480	0
Asian	7,390	8,600	0
American Indian, Alaska Native	310	680	0
Pacific Islander	10	45	0
Hispanic	13,450	21,870	0

**Table 13 – Severe Housing Problems 30 - 50% AMI**

Data 2015-2019 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

#### 50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	44,215	414,850	0
White	26,235	267,750	0
Black / African American	8,875	96,965	0
Asian	2,735	12,635	0
American Indian, Alaska Native	235	785	0
Pacific Islander	40	165	0
Hispanic	5,215	28,210	0

Table 14 – Severe Housing Problems 50 - 80% AMI

Data 2015-2019 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

#### 80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	25,255	304,045	0
White	9,345	205,295	0
Black / African American	2,740	58,370	0
Asian	2,335	12,215	0
American Indian, Alaska Native	30	755	0
Pacific Islander	0	285	0
Hispanic	3,035	20,430	0

Table 15 – Severe Housing Problems 80 - 100% AMI

**Data** 2015-2019 CHAS  
**Source:**

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

DRAFT



## NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

### Housing Cost Burden

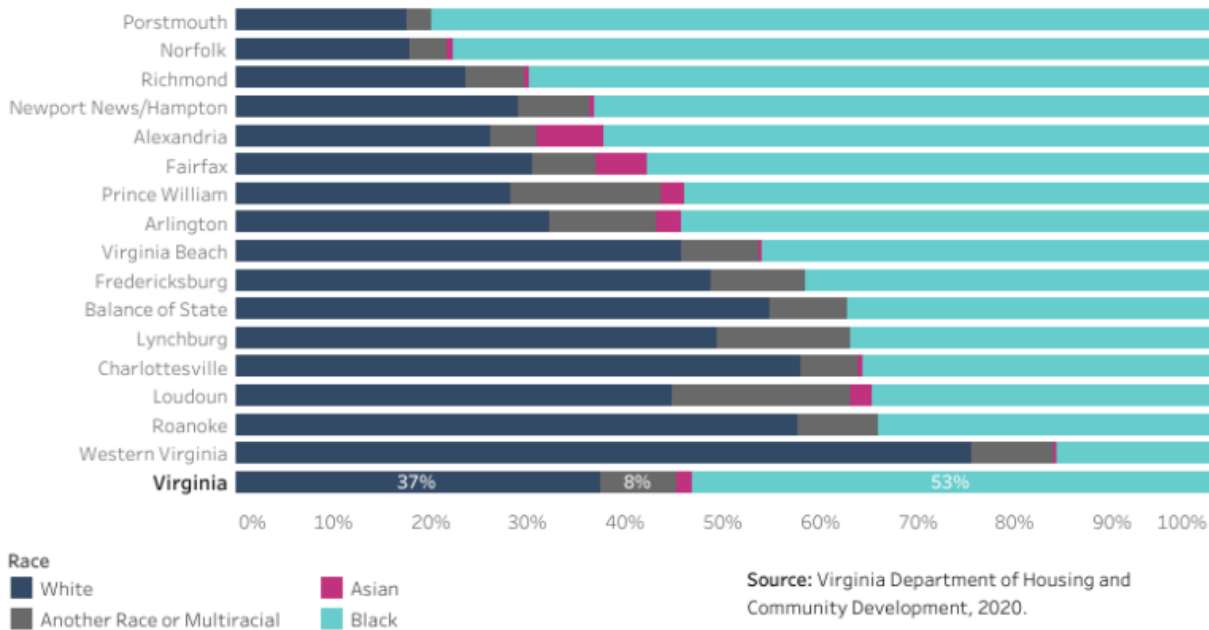
Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	2,248,730	491,660	375,310	35,355
White	1,615,515	286,340	201,880	20,765
Black / African American	347,785	119,645	104,455	8,670
Asian	117,055	26,485	20,895	2,850
American Indian, Alaska Native	4,570	1,095	1,175	125
Pacific Islander	1,210	190	85	70
Hispanic	120,545	45,745	36,550	2,035

**Table 16 – Greater Need: Housing Cost Burdens AMI**

Data Source: 2015-2019 CHAS

Point-in-Time homelessness count by race

Distribution of persons experiencing homelessness by race and Continuum of Care in 2020



## **NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)**

**Are there any income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?**

In every income category, Black and Hispanic/Latino Virginians have a disproportionately greater need than the needs of the income category as a whole. Asians and American Indian/Alaska Natives also had disproportionately greater need in the 30-50% and 50-80% categories.

**If they have needs not identified above, what are those needs?**

Not applicable.

**Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?**

This Consolidated Plan is for a state grantee. The commonwealth is extremely diverse in its racial and ethnic composition, and there are numerous areas across the state with concentrated populations including Black, Hispanic, Asian, and others. The commonwealth's method of distribution selects projects and proposals targeted at meeting priority local needs and during implementation, steps are taken to affirmatively further fair housing.

## **NA-40 Homeless Needs Assessment – 91.305(c)**

### **Introduction:**

In Virginia, it is estimated that as many as 29,000 individuals will experience homelessness at some point during the year. A total of 6,529 were actually homeless during the 2022 Point-in-Time (PIT) count. Homelessness in Virginia is varied as the state has both densely populated metropolitan areas with relatively high concentrations of homelessness and significant rural areas where homelessness is less visible but nonetheless a serious problem.

**If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):**

Not applicable.

**Nature and Extent of Homelessness: (Optional)**

<b>Race:</b>	<b>Sheltered:</b>	<b>Unsheltered (optional)</b>
White	2,380	381
Black or African American	3,023	246
Asian	97	10
American Indian or Alaska Native	37	10
Pacific Islander	7	3
<b>Ethnicity:</b>	<b>Sheltered:</b>	<b>Unsheltered (optional)</b>
Hispanic	527	45
Not Hispanic	5,317	640

Data Source: [2022 AHAR: Part 1 - PIT Estimates of Homelessness in the U.S.](#) (2007-2022 Point-in-Time Estimates by State)

**Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.**

Nearly 10,000 households were in need of housing assistance based on the number of households served in shelters and those receiving prevention assistance during the 2016 – 2017 program year in Virginia. About 30 percent or 2,925 of these households included children. Of these, 96 were chronically homeless households with children. Veterans (770) are included in the numbers of individuals who received housing assistance. Individuals who are victims of domestic violence (3,392) and those considered elderly (514) are among the population served. DHCD estimates that the numbers of households actually in need of housing assistance is far greater than the number served.

**Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.**

Overall, based on the 2022 PIT count, 50 percent of all homeless individuals are Black or African American, with nine percent of the total homeless of Hispanic ethnicity. The unsheltered population (685 persons at 2022 PIT count) consists of 381 White (56 percent) and 246 (36 percent) Black individuals. Total sheltered population (5,844) is composed of 3,023 Black (52 percent) and 2,380 White (41 percent) individuals.

## **Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.**

The 2022 PIT count in January identified 6,529 persons (adults and children) who were homeless. PIT data for 2022 shows a 12 percent increase from the prior year (5,812), although it shows a 28 percent decrease since the 2010 total of 9,080. Comparing the 2022 PIT with 2010 also shows decreases in households with children (-41 percent). Chronic homelessness is down 12 percent since 2010, although it has trended upward after reaching a 50 percent reduction from 2010 numbers in 2018 and remaining relatively stable until the pandemic. There has also been a reduction of 71 percent in veterans experiencing homelessness since 2011.

### **Discussion:**

The number of individuals experiencing homelessness over an entire year is typically four to five times the point-in-time count total. In this case, an estimated 29,000 individuals in Virginia experienced homelessness at some point during the year. Approximately 22 percent of all homeless people in Virginia are dependent children under 18.

## NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

### Introduction

The following section addresses non-homeless special needs including those with disabilities overall and those with AIDS.

### HOPWA

<b>Current HOPWA formula use:</b>	
Cumulative cases of AIDS reported	11,716
Area incidence of AIDS	Not available
Number of new cases prior year (3 years of data)	Not available
Rate per population (100,000)	137.5
Rate per population (3 years of data)	Not available

<b>Current HIV surveillance data:</b>	
Number of Persons living with HIV (PLWH)	14,364
Area Prevalence (PLWH per population)	168.6
Number of new HIV cases reported last year	767

**Table 17 – HOPWA Data**

**Data** Virginia Department of Health HIV Surveillance Annual Report (2021)

**Source:** \*The COVID-19 Pandemic impacted access to HIV-related testing and services. Data in 2020 and 2021 should be interpreted with caution. In Virginia, 2020 and 2021 totals are lower than expected.

### HIV Housing Need (HOPWA Grantees Only)

	<b>Estimates of Unmet Need</b>
Tenant based rental assistance	50
Short-term Rent, Mortgage, and Utility	100
Facility Based Housing (Permanent, short-term or transitional)	0

**Table 18 – HIV Housing Need**

**Data** HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

**Source:**

**Describe the characteristics of special needs populations in your community:**

Overall, Virginia's population of older individuals and those with disabilities is slightly lower than the nation as a whole. Based on 2021 ACS data, 16.3 percent of Virginians are 65 and older as compared to 16.8 percent for the U.S. as a whole. As for those individuals 85 and older, 1.7 percent of Virginians fall into that category as compared to 1.8 percent of the U.S. population. About 14 percent of Virginians have at least one disability. Virginia also has slightly lower rates of disabilities as compared to the country as a whole, including of people with incomes below the poverty rate. In this case, 16.7 percent of Virginians in poverty have a disability as compared to 19.7 percent of the U.S. population. Minority status is another factor along with older age and living in poverty that increase the likelihood of living with a disability. In some areas of Virginia, such as rural parts of the state including South Central and Southwest, with significant concentrations in one or more of these factors, there are significantly higher rates of disabilities. While all Virginians with disabilities face serious challenges, those living in rural areas also face greater rates of substandard housing, greater distances to travel, and lacking transportation services and related increased challenges with accessing healthcare and services.

### **What are the housing and supportive service needs of these populations and how are these needs determined?**

Overall, housing and supportive services needs include

- Home modifications and home accessibility features
- Access to transportation
- Rental subsidies
- Access to home and community-based services

Based on the Department of Behavioral Health and Development Services (DBHDS) State Plan, these needs include

- Permanent supportive housing
- Access to affordable housing with appropriate supports for individuals with mental health, substance abuse, or co-occurring disorder
- Community-based housing options for individuals receiving developmental services that reflect Virginia's person-centered vision

A growing share of need is among senior homeowners aging in place, extremely low-income senior renters, and older seniors needing service enriched housing options. These seniors need home repair/improvement, rental assistance, and residential support services. Notable challenges seniors are that seniors are becoming more concentrated in suburban neighborhoods. Suburban housing stock tends to lack accessibility features, is costly to maintain, and lacks access to public transportation. Also notable is that while the demand for community housing (non-institutional independent living) and for aging in place, current support services systems are not necessarily designed to provide home and community-based services.



**Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:**

HOPWA for the balance of state served 429 individuals during the 2021-2022 program year. These individuals were about 53 percent male and 47 percent female. The population served also included a small number of transgendered individuals. Eleven percent were under 18 years old, and 29 percent were 51 years and older. More than half (59 percent) are Black or African American and more than 75 percent had household incomes less than 30 percent of area median income.

## **NA-50 Non-Housing Community Development Needs - 91.315 (f)**

### **Describe the jurisdiction's need for Public Facilities:**

DHCD prioritizes outcome-based projects which will fill a significant gap in existing services, provide clear and measurable benefit, and help make a community more self-sufficient. For example, there is a significant lack of access to critical community service facilities such as health and dental service centers. The ability to find affordable healthcare is a significant challenge, particularly in the commonwealth's rural regions, with a marked scarcity of general practitioners, specialists, dentists, and mental health professionals, factors which place those communities at a severe disadvantage in terms of competitiveness and ability to create a healthy environment. Solutions range from supporting increased training opportunities in the healthcare field, aiding the development of physical facilities to house medical clinics, installation of telemedicine equipment to bring healthcare specialists into remote communities, programs to bring trained professionals to the area, and supporting the creation of regional organizations to formulate a unified and strategic plan for addressing healthcare issues. Overall, DHCD works to help provide physical facilities that target low- and moderate-income persons in areas that are not conveniently served. These facilities can provide services such as day care for elderly or disabled populations, health clinics, or dental clinics. DHCD works to help communities assess their community service facility needs and then works to help build the facility and develop programs that will address the most urgent community needs.

### **How were these needs determined?**

As a state agency, DHCD encounters a wide range of community development issues and does not seek to develop program priorities on such a broad level. Instead, programs and policies are designed to be flexible and responsive to meet the challenges faced by Virginia's communities. Due to the nature of how DHCD has prioritized investment decisions, projects are expected to target the locality's highest community development need. Only projects which meet identified community needs, and where the community demands a solution, are considered. Additionally, DHCD puts a premium on meeting the needs of its customers and as such, expect communities to undertake an evaluation of their needs and in turn, develop a plan to address those needs. Since DHCD serves such a large geographic area and a very diverse client base, it does not seek to inventory all potential areas of need but instead, partner with localities in the identification of issues, help with the prioritization, and develop solutions to address those needs.

### **Describe the jurisdiction's need for Public Improvements:**

Access to safe and reliable drinking water and sewer service continues to be a critical need in many rural parts of Virginia. DHCD also has worked closely with localities to conduct extensive research into communities which are lacking public water and sewer infrastructure to identify the extent of need, develop potential solutions to those needs, and prioritize construction projects to address identified needs. Due to the limited number of customers, small public systems are not able to generate enough revenue to pay additional technical staff, make infrastructure improvements, pay debts, or even meet

national drinking water standards. Unlike larger municipal systems with general taxation authority, many of the small systems in rural Virginia can only raise revenue through user and connection fees. Additionally, challenges posed by geography and terrain often prohibit the installation of conventional wastewater systems, resulting in the need for alternative systems which are generally far more expensive, and which carry their own set of maintenance issues. DHCD has successfully partnered with other state agencies, such as the Virginia Department of Health, to introduce small-scale, innovative solutions in areas where geography has previously limited the ability to provide a more conventional solution. Additionally, small systems in rural Virginia have fractured and uncoordinated delivery systems, which would benefit from greater consolidation. These conditions lead to higher monthly utility bills on average when compared to larger systems. Much of the existing financing for small systems is in the form of loan programs, making it difficult for communities to finance needed improvements or to expand services. Given the increasing cost of maintaining and expanding water/wastewater systems, small systems are dependent upon direct grant funding which are becoming scarcer each year.

Another critical component of economic development is the need to close the gap in the availability of affordable broadband telecommunication services. Because of the critical role broadband plays in the deployment of advanced applications, widespread access to broadband services is vital to the economic well-being of the Commonwealth of Virginia. DHCD has invested in extensive planning efforts to assess community needs, aggregate demand, identify local assets for leveraging, map existing telecommunication infrastructure, and through provided funding DHCD continue to further develop plans to deliver broadband services.

### **How were these needs determined?**

As a state agency, DHCD encounters a wide range of community development issues and does not seek to develop program priorities on such a broad level. Instead, programs and policies are designed to be flexible and responsive to meet the challenges faced by Virginia's communities. Due to the nature of how DHCD has prioritized investment decisions, projects are expected to target the locality's highest community development need. DHCD has worked extensively with communities across the commonwealth to conduct region-wide assessments to identify where infrastructure, specifically water, sewer, and broadband, are available. These studies identify the community need from a quality of life and economic development perspective to help prioritize future investments. Only projects which meet identified community needs, and where the community demands a solution, are considered. Additionally, DHCD puts a premium on meeting the needs of its customers and as such, expect communities to undertake an evaluation of their needs and in turn, develop a plan to address those needs. Since DHCD serves such a large geographic area and a very diverse client base it does not seek to inventory all potential areas of need but instead, partner with localities in the identification of issues, help with the prioritization, and develop solutions to address those needs.

### **Describe the jurisdiction's need for Public Services:**

DHCD recognizes there is a need for skill building and workforce training facilities to serve unemployed and youth populations. Parts of Virginia have seen significant manufacturing job losses including Southwest and Southside Virginia. Providing skills to these underserved populations can increase the job potentials for unemployed workers but it also increases economic development options for the community. DHCD has partnered with universities, community colleges, non-profits, and localities across the state to develop work force training. In its approach to skill building, DHCD seeks to target the needs of employers and potential employees very specifically, and build certification, training, and curricula to bridge those needs. Essential in this process is the active participation of local government officials, community college and other education representatives, private sector business and industry, and prospective students. DHCD has also emphasized the importance of fostering a strong entrepreneurial economy, one which seeks to grow local talent and create opportunities for small business ideas. Beyond helping to ensure access to capital is the need to provide a strong support network to provide technical assistance, such as mentoring, partnering, and business plan development.

### **How were these needs determined?**

From a state perspective there is not a documented source to quantify public service needs across the state. As noted previously, numerous other state agencies have the primary roles in helping to identify and address needs such as employment training, health services, transportation services, and more. DHCD works closely with those agencies where appropriate to leverage technical and financial resources, and often work completed by those entities serve as a jumping off point for prioritizing areas where DHCD can assist. DHCD encounters a wide range of community development issues and does not seek to develop program priorities on such a broad level. Instead, programs and policies are designed to be flexible and responsive to meet the challenges faced by Virginia's communities. Due to the nature of how DHCD has prioritized investment decisions, projects are expected to target the locality's highest community development need. Only projects which meet identified community needs, and where the community demands a solution, are considered. Additionally, DHCD puts a premium on meeting the needs of its customers and as such, expect communities to undertake an evaluation of their needs and in turn, develop a plan to address those needs. Since DHCD serves such a large geographic area and a very diverse client base it does not seek to inventory all potential areas of need but instead, partner with localities in the identification of issues, help with the prioritization, and develop solutions to address those needs.

# Housing Market Analysis

## MA-05 Overview

### Housing Market Analysis Overview:

All regions of the state are experiencing significant shortages of affordable housing, culminating in a statewide shortage of more than 300,000 affordable housing units. The lack of affordable housing results in a large number of households experiencing housing cost burdens across urban, suburban, and rural areas. Virginia currently has the 14<sup>th</sup> least affordable housing in the United States. On average, housing is more expensive for renters and owners in Virginia than for the average citizen in United States. Moreover, the cost of housing is increasing more rapidly in Virginia than in the rest of the country.

Over the next five years, changes in housing affordability in Virginia will vary from region to region. Localities within the urban crescent, such as Northern Virginia, Central Virginia, and the Hampton Roads/Chesapeake Bay regions will likely see decreases in housing affordability as these places are projected to undergo the most significant population growth. Workforce growth is anticipated to continue in Virginia's metropolitan areas, primarily among young, low-earning workers. These localities will need to produce substantial new affordable housing to accommodate this economic growth.

Virginia has an extensive supply of aging housing units as more than 40 percent of all housing units statewide were built prior to 1980. These units are heavily concentrated in rural localities and far more likely to have substandard living conditions than new-construction housing. As of 2021, over 10,000 occupied homes in Virginia do not have adequate indoor plumbing, and nearly 20,000 homes do not have complete kitchen facilities. Although these numbers have declined over the past decade, those remaining units are in remote areas of the state with few resources to address these conditions.

The Commonwealth of Virginia is experiencing impacts of climate change including sea level rise, extreme weather, and changing seasonal temperatures. Coastal communities are particularly vulnerable to economic and social risks from these hazards, which are projected to increase substantially in the coming years. These localized dangers pose statewide ramifications, as millions of Virginians will be indirectly affected by economic losses and displacement in the coastal area. This situation provides an opportunity to embrace a holistic approach to housing preservation, economic development, and community resilience across the Commonwealth.

Virginians' reliance on high-speed internet has grown over the past three years; this trend is expected to continue in the next five years as new technologies emerge to digitize corporate, academic, and health environments. While the Commonwealth has made recent progress in expanding broadband access, rural Virginians still disproportionately lack reliable access to high-speed internet. The Commonwealth is committed to creating strong, competitive communities by preparing those communities to build, utilize, and capitalize on telecommunications infrastructure. DHCD will continue to seek out broadband deployment opportunities and implement programs that work to bridge the digital divide, extend

service to areas presently unserved, and connect homes and communities to this essential tool of a 21st century economy.

## MA-10 Number of Housing Units – 91.310(a)

### Introduction

The supply of housing stock varies broadly across different localities in Virginia according to the size, population density, and demographic makeup of different localities. Throughout the state, single family detached structures comprise the majority of the residential properties. Urban cities and metropolitan areas contain more 20+ unit multi-family structures, while rural and suburban areas tend to have a higher proportion of single family detached structures and smaller multi-family properties. Units with three or more bedrooms are significantly more likely to be occupied by owners than renters.

### All residential properties by number of units

Property Type	Number	%
1-unit detached structure	2,208,827	61.4%
1-unit, attached structure	401,278	11.2%
2-4 units	159,520	4.4%
5-19 units	365,582	10.2%
20 or more units	293,240	8.2%
Mobile Home, boat, RV, van, etc.	167,653	4.7%
<b>Total</b>	<b>3,596,100</b>	<b>100.0%</b>

**Table 19 – Residential Properties by Unit Number**

Data Source: 2017-2021 ACS; B25024

### Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	5,219	0.2%	43,776	4.0%
1 bedroom	34,517	1.6%	229,592	21.2%
2 bedrooms	278,372	12.9%	426,602	39.4%
3 or more bedrooms	1,846,859	85.3%	383,591	35.4%
<b>Total</b>	<b>2,164,967</b>	<b>100.0%</b>	<b>1,083,561</b>	<b>100.0%</b>

**Table 20 – Unit Size by Tenure**

Data Source: 2017-2021 ACS; B25042

### Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

DHCD administers programs to develop and improve affordable housing in Virginia. These efforts include leveraging federal and state resources to preserve existing homeowner units for households at or below 80 percent AMI. Similarly, DHCD uses both federal and state resources to create and preserve affordable rental units across the commonwealth. These funds assist rental projects of varying size

requiring units targeted to tenants earning between 30-60 percent below AMI. DHCD promotes first-time homeownership for moderate-income households (at or below 80 percent AMI) by awarding developer subsidies to construct these units and by providing direct homebuyer assistance through down payment and closing cost assistance to qualified first-time homebuyers.

In reviewing applications for federal and state programs, DHCD provides scoring and funding incentives to projects that target units to those with disabilities including those with severe mental illness, physical/sensory disabilities (including chronically homeless), and those with intellectual/developmental disabilities. Please note, the actual number of rental units is highly variable based on the number of units in each project that receives funding commitments from DHCD. Annually DHCD makes between 50-80 funding commitments to projects with housing units that range from 5 – 100+ units per project. Most of these are 100 percent affordable units, but some include market rate units. DHCD annually assists approximately 90 homeowner rehabilitation projects and provides assistance to another 70 first time homebuyers.

**Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.**

There is a high potential for affordable rental units throughout the state to be lost from the affordable rental unit inventory over the next five years. Many of the HOME-assisted projects DHCD has funded over the years will be reaching the end of their original HOME affordability period within the next five years. DHCD expects to extend the affordability of these projects by offering loan forgiveness over ten to fifteen years, although the final decision rests with the owner of the project. Unfortunately, market pressures in high demand areas have led to increased land value and rents threaten the future of each of these properties. Additionally, federal rental subsidies through Section 8 or the Housing Choice Voucher program will face further pressures as overall market rents increase and federal spending decreases. This may result in the loss of project-based vouchers that support many affordable housing projects, as well as a reduction in the number of tenant-based vouchers in use.

**Does the availability of housing units meet the needs of the population?**

As discussed previously there is an existing shortage of affordable housing; more than one third of Virginia households are in need of more affordable housing. Moreover, the Virginia Employment Commission estimates that the Commonwealth will add more than 300,000 net new jobs by 2030. The bulk of this growth is expected to occur in service providing industries, which tend to employ younger workers at modest incomes. This anticipated infusion of lower-earning employees into Virginia's labor market will compound the existing demand for affordable rental housing. Housing units for this demographic must be developed in areas of projected job growth and priced affordably in order to accommodate the needs and lifestyles of new workers. Affordable and appropriate housing in the right location is important to attract employee and new businesses, and both are critical to economic growth. Most of Virginia's projected job growth is expected take place in localities surrounding the Urban Crescent, where the cost of living tends to be higher than the statewide average.



**Describe the need for specific types of housing:**

New housing demand will be from younger households with incomes seeking primarily rental housing that is located near jobs, amenities, and social opportunities. In addition, Virginia is working to modify systems of service provision and housing to better accommodate individuals with intellectual/development disabilities (I/DD) in community-based housing. The I/DD demand is primarily for one-bedroom apartments with access to transportation affordable for very low-income and extremely low-income households.

**Discussion**

Given the existing shortage of affordable units in Virginia, the anticipated labor force expansion is expected to exacerbate the unmet need for affordable housing units. Most of these new workers will be service industry professionals, who tend to be young and earn relatively low wages. This demographic will need affordable housing but will also demand housing that is in close proximity to work, family and friends, and other amenities. Affordable and appropriate housing in the right location is important to attract employee and new businesses, and both are critical to economic growth.

## MA-15 Cost of Housing – 91.310(a)

### Introduction

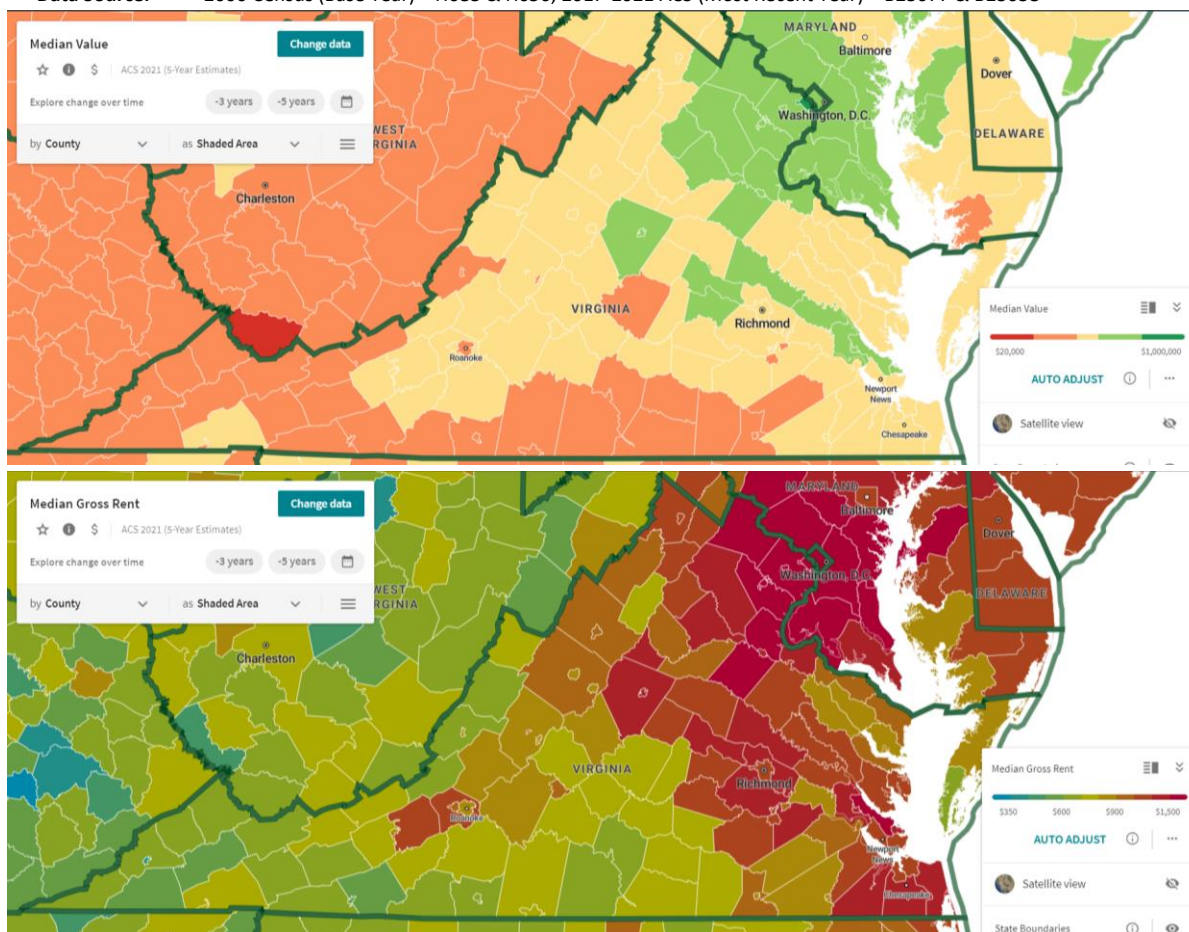
On average, housing is more expensive for renters and owners in Virginia than for the average citizen in United States. Moreover, the cost of housing is increasing more rapidly in Virginia than in the rest of the country. According to the National Low Income Housing Coalition (NLIHC), there is a shortage of rental units affordable to Extremely Low-Income (ELI) renters in Virginia (those earning less than 30 percent of area median income). Most of these households are housing cost burdened (spending more than 30 percent of their household income on housing costs).

### Cost of Housing

Estimate	Locality	Base Year: 2000	Most Recent Year: 2021	% Change
Median Home Value	Virginia	118,800	295,500	148.7%
	United States	111,800	244,900	119.1%
Median Contract Rent	Virginia	550	1,152	109.5%
	United States	519	988	90.4%

**Table 21 – Cost of Housing**

**Data Source:** 2000 Census (Base Year) – H085 & H056, 2017-2021 ACS (Most Recent Year) – B25077 & B25058



**Figure 2 – Median Gross Rent**

Data Source: 2017-2021 ACS

<b>Rent Paid</b>	<b>Number</b>	<b>%</b>
Less than \$500	172,145	15.9%
\$500-999	312,231	28.8%
\$1,000-1,499	271,010	25.0%
\$1,500-1,999	189,183	17.5%
\$2,000 or more	138,992	12.8%
<b>Total</b>	<b>1,083,561</b>	<b>100.0%</b>

**Table 22 - Rent Paid**

Data Source: 2017-2021 ACS – B25056

**Housing Affordability**

<b>% Units affordable to Households earning</b>	<b>Renter</b>	<b>Owner</b>
30% HAMFI	68,365	No Data
50% HAMFI	206,310	113,395
80% HAMFI	523,285	342,915
100% HAMFI	No Data	548,800
<b>Total</b>	<b>797,960</b>	<b>1,005,110</b>

**Table 23 – Housing Affordability**

Data Source: 2013-2017 CHAS

**Is there sufficient housing for households at all income levels?**

There are currently 37 affordable and available units per 100 households for Extremely Low-Income (ELI) Virginians, defined as those whose income is at or below 30 percent of area median income. In Virginia, 86 percent of ELI households are cost burdened and 72 percent are severely cost burdened. Statewide, there is a deficit of more than 150,000 affordable and available units for households in this income category.

Very Low Income (VLI) households (those earning between 30 and 50 percent of area median income) in Virginia also face a shortage of affordable and available units. Currently, there are just 60 affordable and available units per 100 households for VLI households, yielding a statewide deficit of more than 164,000 affordable units. As a result of the affordable housing shortage, 76 percent of VLI households are cost burdened. Severe cost burdens affect this income group to a lesser extent with 31 percent of households severely cost burdened.

Low Income households do not face the same severe shortage of affordable and available rental units as the income categories above, however 46 percent of Low-Income households are cost burdened (State Housing Profile: Virginia, National Low Income Housing Coalition, March 2022).

Virginia is likely to continue to see an increase in the need for affordable permanent supportive housing projects in Virginia, as well as affordable housing projects for seniors and an aging population. These types of projects will be important because of the ability for these types of projects to combine supportive services with affordable units.

### **How is affordability of housing likely to change considering changes to home values and/or rents?**

Over the next five years, changes in Housing Affordability in Virginia will vary from region to region. Localities within the urban crescent, such as Northern Virginia, Central Virginia, and the Hampton Roads/Chesapeake Bay regions will likely see decreases in housing affordability as these places are projected to undergo the most significant population growth.

Statewide, according to NLIHC, a resident would need to earn a minimum of \$24.85 per hour, working 40 hours a week, to make a 'housing wage' in order to afford a 2BR rental unit at the statewide 2BR Fair Market Rent (FMR) of \$1,292. Virginia is currently the 14th least affordable state in the nation. (Out of Reach 2022, State Profile: Virginia, National Low Income Housing Coalition).

Compared to the NLIHC's Out of Reach 2012 state profile for Virginia, the statewide housing wage necessary to afford a 2BR unit at the FMR increased from \$20.26 per hour to \$24.85. (Out of Reach 2012, State Housing Profile: Virginia, National Low Income Housing Coalition). Considering the enduring stagnancy of wages, the trajectory of this estimate suggests that housing will continue to become less affordable for Virginia renters over the next five years.

### **How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?**

Estimates of Fair Market Rents are localized and heterogenous throughout the state. Comparisons of the HOME rent limits/Fair Market Rents to Area Median Rents in Virginia illustrate the different housing markets in different regions throughout the state. The Northern Virginia region, the least affordable in the state, has median rents which are higher than the HOME rent limits and/or Fair Market Rent. These conditions are expected to persist over the next five years, as this region will see the bulk of population growth in Virginia. In Southwest and Southern Virginia, the median/market rents are often lower than the HOME rent limits/Fair Market Rents and existing HOME rental projects must keep their rental rates below these levels to remain competitive with the rest of the rental market.

The differences among regions in Virginia will require that DHCD tailor its strategies for production or preservation of affordable housing to each particular region's need. In the Northern Virginia region,

preservation of affordable housing will be particularly important due to the high cost of housing that already exists. In the remaining regions of the state, DHCD will support both preservation and production of new affordable housing units with a particular emphasis on serving towards special populations such as seniors or Virginians needing housing paired with supportive services.

## **MA-20 Condition of Housing – 91.310(a)**

### **Introduction:**

Virginia has a large inventory of aging homeowner and rental properties as more than 40 percent of all housing units statewide were built prior to 1980. Older housing units, which tend to be more heavily concentrated in rural communities, are more likely to have one of four substandard conditions than new construction or renovated units. Statewide, there are many tax credit properties and Rural Development properties for which funds are expiring in the next five years. These units will require rehabilitation in order to assure ongoing safety and affordability to residents.

### **Definitions**

**Substandard:** One or more conditions which render the dwelling unsafe or unsanitary as prescribed by the Minimum Housing Code Standards or HQS.

Selected conditions are defined as units: 1) Lacking complete kitchen facilities; 2) Lacking complete plumbing facilities; 3) Cost burden greater than 30 percent (share of income devoted to housing costs); and 4) More than one person per room (overcrowding).

**Suitable for Rehabilitation:** The nature of the substandard conditions is both financially and structurally feasible for rehabilitation.

The definition of substandard but suitable for rehabilitation may also include a quantifiable standard such as - substandard dwelling in which the deficiencies are limited in number and magnitude such that the cost of rehabilitation would not exceed fifty percent (50%) of the replacement cost of the dwelling. Examples of minor repairs may include – disability access, lead-based paint remediation, foundation repair, wall repair, windows, doors, electrical repair, roof repair.

A property may be considered in “substandard condition but suitable for rehabilitation” if it is dilapidated or deteriorated beyond feasible economic repair, or rehabilitation will exceed fifty percent (50%) of the replacement cost of the dwelling.

## Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	423,208	19.55%	458,034	42.27%
With two selected Conditions	6,775	0.31%	28,360	2.62%
With three selected Conditions	797	0.04%	1,776	0.16%
With four selected Conditions	9	0.00%	240	0.02%
No selected Conditions	1,734,178	80.10%	595,151	54.93%
<b>Total</b>	<b>2,164,967</b>	<b>100.00%</b>	<b>1,083,561</b>	<b>100.00%</b>

Table 24 - Condition of Units

Data Source: 2017-2021 ACS – B25123

## Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	525,040	24.3%	232,860	21.5%
1980-1999	714,447	33.0%	333,957	30.8%
1950-1979	710,874	32.8%	389,257	35.9%
Before 1950	214,606	9.9%	127,487	11.8%
<b>Total</b>	<b>2,164,967</b>	<b>100%</b>	<b>1,083,561</b>	<b>100%</b>

Table 25 – Year Unit Built

Data Source: 2013-2017 CHAS / 2017-2021 ACS B25036

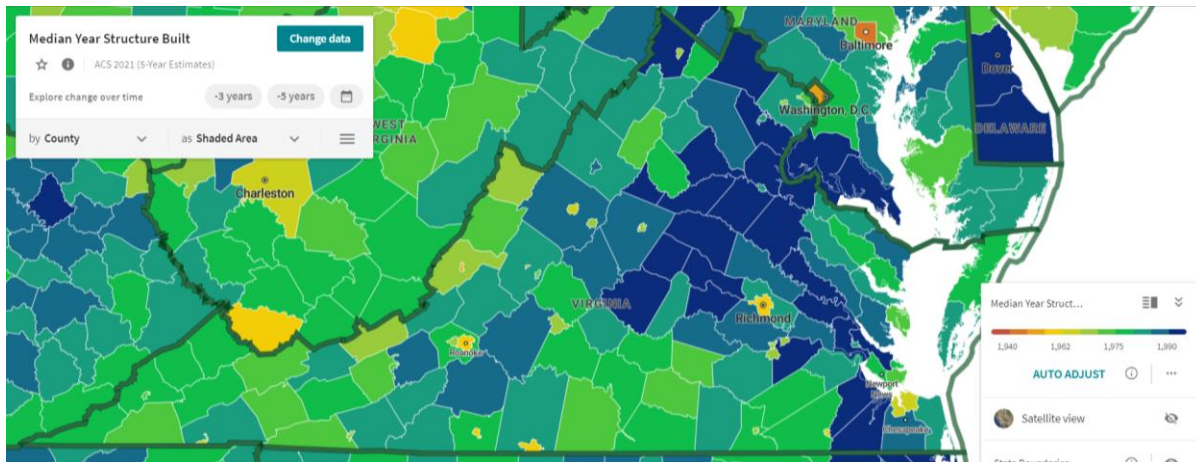


Figure 3 - Median Year Structure Built

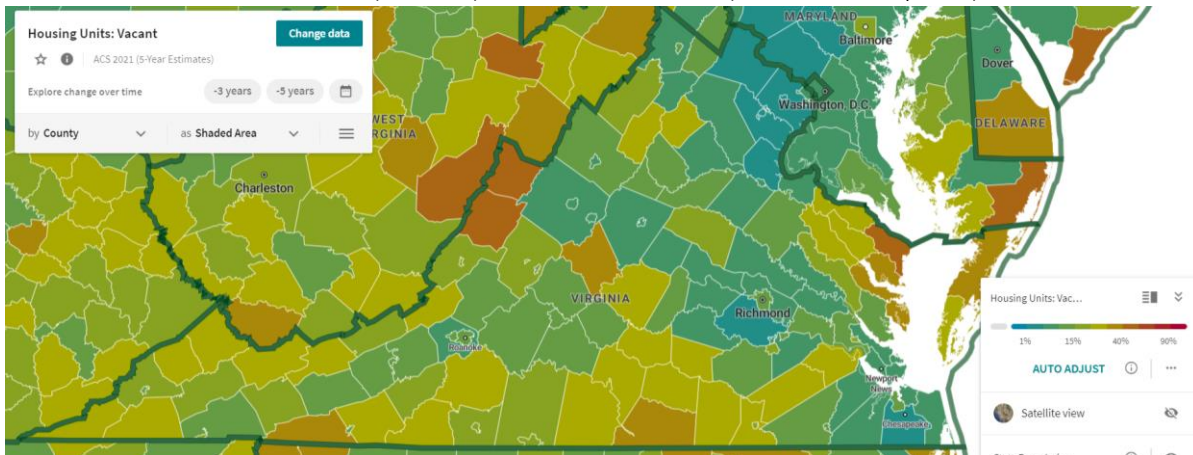
Data Source: ACS 2021 5-Year Estimates

## Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	925,480	42.7%	516,744	47.7%
Housing Units build before 1980 with children present	108,960	5.0%	107,790	9.9%

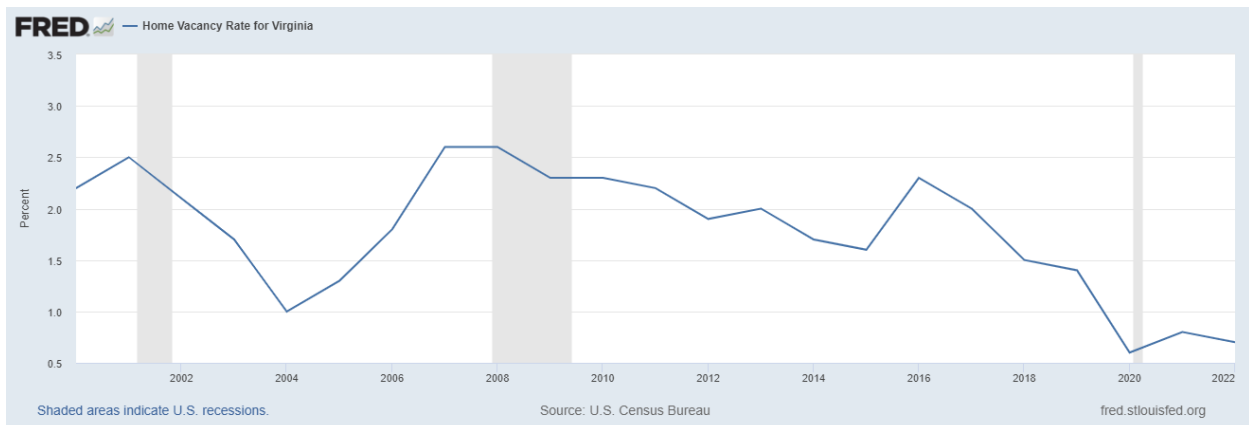
**Table 26 – Risk of Lead-Based Paint**

**Data Source:** 2017-2021 ACS – B25036 (Total Units) 2015-2019 CHAS – Table 13 (Units with Children present)



**Figure 4 – Vacancy Rate by VA County**

**Data Source:** ACS 2021 5-Year Estimates



**Figure 5 – Statewide Vacancy Rate, 2000-2022**

**Data Source:** US Census Bureau via St. Louis Fed

## Need for Owner and Rental Rehabilitation

Nearly half (48 percent) of all renter-occupied housing units and 43 percent of all owner-occupied housing units in Virginia were built before 1980. Approximately 12 percent or 127,487 of all renter-occupied units were constructed before 1950 and 10 percent of all owner-occupied units or 214,606 units were constructed before 1950. Figure 4 illustrates the tendency for newer housing units to be developed in counties within the urban crescent, while aging properties tend to outnumber new units in rural counties.



As of 2021, over 10,000 occupied homes in Virginia do not have adequate indoor plumbing, and nearly 20,000 homes do not have complete kitchen facilities. Although these numbers have declined over the past decade, those remaining units are in remote areas of the state with few resources to address these conditions. Moreover, units lacking complete indoor plumbing and kitchen facilities are more than 500 times as likely to be renter-occupied than owner-occupied. This suggests a statewide need for increased targeting of rehabilitation funds to rental units.

Another challenge, vacant units are difficult to return to occupied status for number of reasons. The COVID-19 pandemic and ensuing housing crisis has caused vacancy rates to plummet nationwide. Figure 5 demonstrates the percentage of unoccupied units in Virginia's housing market over time. Despite historically low vacancy rates, 297,029 homes in Virginia are not occupied year-round (US Census Bureau, 2021 ACS 5-Year Estimates). Figure 4 represents the housing vacancy rates in Virginia counties and depicts the tendency for rural localities to experience higher vacancy rates than their urban counterparts. In some cases, unoccupied homes are used as seasonal vacation properties, or the units are on the market. The remaining unoccupied units are considered "other" types of vacancies that include being used as storage, in foreclosure, and other types.

### **Estimated Number of Housing Units Occupied by Low- or Moderate-Income Families with LBP Hazards**

In Virginia, there are 1,442,224 housing units built prior to 1980 which are consequently at risk for lead-based paint hazard. These units are home to at least 216,750 children under the age of six who may suffer health complications due to exposure to lead based paint. This hazard disproportionately affects low- and moderate-income households, who tend to inhabit less-expensive homes that have not been renovated or updated which increases risk of having lead-based paint in the home. DHCD helps partnering communities identify these needs in the community and work toward remediating the homes so that low- and moderate-income persons have the same quality housing as Virginians residing in homes built after 1980.

### **Discussion:**

The existing supply of housing in Virginia has some challenges. To address these challenges, DHCD leverages both federal and state resources preserve affordability and improve the condition of housing through programs such as the Affordable and Special Needs Housing (ASNH) program.

## MA-25 Public and Assisted Housing – (Optional)

### Introduction:

DHCD is not a housing authority nor housing finance agency. As result DHCD does not have direct authority related to project-based vouchers, Housing Choice vouchers, nor public housing in Virginia. DHCD works closely with the state and local housing authorities to coordinate resources to meet the needs of low-income and special needs populations in Virginia.

### Totals Number of Units

	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	39		9,318	4	9,314	427	0	890
# of accessible units									

**\*Includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

**Table 27 – Total Number of Units by Program Type**

Data Source: PIC (PIH Information Center)

### Describe the supply of public housing developments:

DHCD is not a housing authority nor housing finance agency. As result DHCD does not have direct authority related to project-based vouchers, Housing Choice vouchers, nor public housing in Virginia. DHCD works closely with the state and local housing authorities to coordinate resources to meet the needs of low-income and special needs populations in Virginia.

### Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

DHCD is not a housing authority nor housing finance agency. As result DHCD does not have direct authority related to project-based vouchers, Housing Choice vouchers, nor public housing in Virginia. DHCD works closely with the state and local housing authorities to coordinate resources to meet the needs of low-income and special needs populations in Virginia.

**Describe the Restoration and Revitalization Needs of public housing units in the jurisdiction:**

DHCD will consider supporting public housing under HUD's Rental Assistance Demonstration (RAD) for funding through the ASNH application process. Please see program guidelines for more details.

**Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:**

DHCD is not a housing authority nor housing finance agency. As result DHCD does not have direct authority related to project-based vouchers, Housing Choice vouchers, nor public housing in Virginia. DHCD works closely with the state and local housing authorities to coordinate resources to meet the needs of low-income and special needs populations in Virginia.

## MA-30 Homeless Facilities – 91.310(b)

### Introduction

Virginia has more than 4,700 emergency beds that are open to adults and children year-round.

### Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year-Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	2367	503	508	1325	-
Households with Only Adults	2411	709	194	3739	-
Chronically Homeless Households	-	-		1784	-
Veterans	33	4	38	2299	-
Unaccompanied Youth	26	7	57	9	-

**Table 28 - Facilities Targeted to Homeless Persons**

Data Source: [2007 - 2022 Housing Inventory Count by State](#)

**Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons.**

There are a number of statewide initiatives to better leverage mainstream resources and to address the intersection of homelessness and healthcare as well as homelessness and the criminal justice system. Similarly, there are a number of committees that exist to support the interagency efforts to address the needs of individuals and families experiencing homelessness, including the following:

**Coordinating Council on Homelessness**

Purpose: To carry out activities which may include but not be limited to: develop and oversee implementation of state plan to effectively address homelessness; address policy issues; oversee coordination among and between secretariats and state agencies; enhance coordination and collaboration between state agencies and local organizations.

**Homeless Advisory Committee**

Purpose: To engage stakeholders and provide feedback and guidance to the Coordinating Council.

**Performance & Impact Committee**

Purpose: To provide recommendations to the Coordinating Council regarding issues related to: policy; data collection and analytics; results/outcomes; system and performance evaluation

**Solutions Committee**

Purpose: To provide recommendations to the Coordinating Council regarding issues related to: rapid re-housing; permanent supportive housing; substance abuse; mental health; discharge planning/policies; and workforce

**Ending Veteran Homelessness Committee**

Purpose: To provide recommendations to the Coordinating Council regarding strategies to end veteran homelessness.

In addition to the aforementioned committees, there is a HUD TA project that will function as a pilot project to integrate HMIS data via a cloud data warehouse. The pilot project will merge 9 of the 16 Virginia CoC's HMIS data.

**List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.**

DHCD administers funds that support homeless services and facilities across Virginia. These resources include two federal programs:

- Emergency Solution Grant (ESG)
- Housing Opportunities for Persons with AIDS (HOPWA)

During the 2021 – 2022 program year, the ESG funding supported 60 separate rapid re-housing programs supporting 1,458 total households. Additional services and facilities are funded by the ESG entitlement localities in their specific jurisdictions.

In addition to ESG, DHCD also funds eight HOPWA programs that provide rental assistance and support services to help individuals with HIV/AIDS and their families obtain and/or maintain housing stability. During the 2021-2022 program year, DHCD's project sponsors served a total of 297 unduplicated households with housing assistance. Again, these eight programs are located in HOPWA non-entitlement areas. The entitlement areas, which receive HOPWA funding directly from HUD, also fund some HOPWA services and facilities in Virginia's HOPWA entitlement jurisdictions.

In addition to federal resources DHCD also administers state funds to support homeless services and facilities through the Virginia Homeless Solutions Program (VHSP). These state resources provide funding for coordinated entry, outreach, prevention, emergency shelter, rapid re-housing, HMIS, CoC planning, and administration.

VHSP supports 51 rapid re-housing programs, 50 shelter facilities, and 30 prevention programs in Virginia.

Virginia also has a state Housing Trust Fund. Of the total available resources, up to 20% of funds may be used for Homeless Reduction Grants. These grant funds provide funding for additional rapid re-housing support or supportive services for permanent supportive housing that serve those who are chronically homeless.

HUD's Competitive CoC SHP programs fund services and programs in Virginia as well. Some of these services and facilities overlap with those addressed above. The CoC SHP program supports shelter facilities, support services, and permanent supportive housing. Specifically, this program supports three permanent supportive housing programs located in rural areas of the state.

## MA-35 Special Needs Facilities and Services – 91.310(c)

### Introduction

The 2023 Consolidated Plan includes goals specific to addressing the needs of non-homeless special needs populations. This includes a focus on individuals with HIV/AIDS through the HOPWA program; individuals with disabilities including physical, sensory, serious mental illness, and intellectual and developmental disabilities.

### HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	92
PH in facilities	0
STRMU	214
ST or TH facilities	0
PH placement	25

Table 29 – HOPWA Assistance Baseline

Data Source: [2021-22 HOPWA Caper Draft](#)

**To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

In 2019 the State's Homeless Outcomes Advisory Committee established a Coordinating Council on Homelessness and four committees focused on improved coordination on a state level to, in part, help assure that those persons returning from mental and physical health institutions receive appropriate supportive housing. In addition, DHCD is working closely with the Department of Behavioral and Developmental Health Services (DBDHS) to develop strategies for transitioning individuals from institutional settings into community-based housing.

**Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

The Coordinating Council on Homelessness has a work group focused on discharge planning and policy for mental health that includes discharge planning beginning on admission. They are reviewing current policies and providing training and outreach to hospitals, community service boards and other mental health providers and discharge planners, including the state 2-1-1 system. Department of Veteran Services has developed educational programs to inform discharge planners about services related to veterans.

**Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with**

**respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)**

DHCD has goals and initiatives in place to address housing and supportive services needs with respect to persons who are not homeless but have special needs. First the commonwealth seeks to help communities to become competitive and sustainable places to live and work for all Virginians including those with special needs. Second, Virginia will help to increase the number of affordable and accessible housing units in Virginia. Both of these efforts will encourage the use of universal design features in housing and community structures. DHCD will also prioritize projects that help improve overall accessibility to community and home-based services.

In partnership with the Department of Behavior Health and Developmental Services, Department of Medical Assistance Services, VHDA, and DARS, DHCD is working to increase housing options for those with intellectual and developmental disabilities many of whom are not homeless.

**For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))**

DHCD is not an entitlement/consortia grantee.



## **MA-40 Barriers to Affordable Housing – 91.310(d)**

### **Negative Effects of Public Policies on Affordable Housing and Residential Investment**

Virginia's shortage of affordable housing is exacerbated by state and local public policies and private procedures which limit the production of affordable units and hinder access to housing for low-income individuals and families.

Local land use regulations, which can restrict what type of development can occur in specific locations, vary broadly across jurisdictions within the Commonwealth. The sheer number of local ordinances and their inherent heterogeneity imposes challenges in taking a statewide perspective of specific barriers to affordable housing. Generally, zoning regulations and other local ordinances can restrict the supply of housing by establishing minimum lot sizes, maximum building heights, and planning approval processes for properties in a geographical area. These policies can intentionally or unintentionally limit housing choice for members of protected classes.

Moreover, while local land use restrictions may confer benefits in some cases, they have a substantial impact on property values. Although income level is not a protected class, surging property values can severely limit housing choice for low-income families, particularly for members of protected classes. Local ordinances that are frequently found to be discriminatory involve those affecting people with disabilities, families, and those involving issues of national origin.

Between FY2017 and FY2021, approximately 35 percent of the Fair Housing Complaints filed in Virginia alleged discrimination on the basis of disability status. The second most common alleged fair housing offense involved race-based discrimination, comprising 24 percent of complaints between FY2017 and FY2021. For both conventional and government-backed loans, mortgage applications submitted by minority candidates are consistently denied at a higher rate than those from white applicants, regardless of income level.

The following are key barriers to fair and affordable housing in Virginia. DHCD structures policies and programs to help address the barriers and helps to inform localities of the barriers and their responsibility to help address the impediments to fair housing.

1. Discrimination in the rental and sales housing markets. Particularly, discrimination based on disability and race:

- Increase testing and enforcement efforts in the rental and sales housing markets to ensure that members of protected classes are being offered an equal opportunity to access all housing options in their communities; publicize results of testing programs.
- Increase education efforts for landlords, leasing agents, and real estate professionals about their fair housing responsibilities; in particular, stress the importance of making reasonable accommodations for persons with disabilities.
- Increase education efforts for individuals seeking housing so they are aware when they are victims of discrimination and so that they are aware of their options to resolve the situation.

- Increase enforcement of affirmative marketing of affordable housing options to members of the protected classes.

2. Constraints in the mortgage lending market. Minorities experience higher denial rates in the mortgage markets at all income levels, particularly at the lowest income levels in the conventional loan market:

- Increased oversight of mortgage lending and denial practices.
- First-time homebuyer education, affirmatively marketed to minorities.
- Continued support of financial literacy and credit counseling initiatives.
- Increased awareness regarding the availability of Federal Housing Administration (FHA) and other government supported loans.
- Reassess HMDA data once 2023 changes have occurred which include additional applicant data (including creditworthiness).

3. Additional fair housing education among real estate agents, landlords, housing providers, local officials, and especially, individuals is needed. Training available outside the major metro areas is needed:

- Increase fair housing educational opportunities for renters and homebuyers; in particular, members of the protected classes.
- Increase the availability of seminars and classes for housing providers regarding fair housing law; expand such educational opportunities to include rural and non-metro areas, consider online venues.
- Up-to-date, relevant, and clearly written fair housing materials for individuals made readily available on multiple state websites and in housing providers' offices.
- Encourage housing providers and other relevant stakeholders to utilize social networking and social media to inform both clients and landlords of fair housing policy.
- Develop a model Tenant Selection Plan (TSP) which includes necessary language to ensure methods for collecting and evaluating housing applications are non-discriminatory. This document will be used as a baseline to score DHCD program applicants' intended adherence to fair housing best practices and incentivize subrecipients to prioritize these concerns.

4. Availability and access to quality affordable housing; there are a large number of low-income households in need of affordable housing and there are a large number of cost-burdened households, especially in the rental housing market. "Crowding out," and combined transportation and housing costs are areas of concern regarding affordable housing:

- Continued support of federal, state, and local efforts to preserve and produce quality affordable housing.
- Continued support of partnerships between nonprofit, state, local, and federal partners to efficiently leverage resources for the production of affordable housing.
- Support of public-private partnerships that create affordable and mixed-income housing.
- Support of efforts that match appropriately priced housing with varied transportation options.

- Promote the use of housing databases such as those offered by the Virginia Housing Development Authority (VHDA), <http://www.virginiahousingsearch.com/>.

Please see the full Analysis of the Impediments for more details.

## MA-45 Non-Housing Community Development Assets -91.315(f)

### Introduction

The Commonwealth of Virginia's unique combination of assets has encouraged businesses to prosper here for more than 400 years. Virginia continues to rank among America's leading states for business and in each analysis, the cost of doing business and quality of workforce helped drive Virginia to the top. With a population of over 8.5 million and a workforce of nearly 4.5 million, Virginia successfully supports the state's substantial industry base. In terms of access, Virginia offers unparalleled transportation opportunities; centrally located on the U.S. East Coast, the Commonwealth's integrated transportation system of highways, railroads, airports and seaports ensures that all markets are within reach. Virginia's boundless outdoor and cultural activities along with one of the nation's highest concentrations of historic resources provide limitless opportunities for recreation and economic development.

### Economic Development Market Analysis

#### Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	15,468	16,712	1	2	1
Arts, Entertainment, Accommodations	132,447	103,972	12	13	1
Construction	82,382	62,667	8	8	0
Education and Health Care Services	185,135	126,424	17	15	-2
Finance, Insurance, and Real Estate	54,806	40,860	5	5	0
Information	15,652	7,964	1	1	0
Manufacturing	131,760	116,333	12	14	2
Other Services	49,400	37,564	5	5	0
Professional, Scientific, Management Services	107,995	58,929	10	7	-3
Public Administration	0	0	0	0	0
Retail Trade	154,935	118,507	14	14	0
Transportation and Warehousing	42,723	38,252	4	5	1
Wholesale Trade	44,411	35,367	4	4	0
<b>Total</b>	<b>1,017,114</b>	<b>763,551</b>	--	--	--

**Table 30 – Business Activity**

Data 2013-2017 ACS (Workers), 2017 Longitudinal Employer-Household Dynamics (Jobs)  
Source:

#### Labor Force

Total Population in the Civilian Labor Force	4,553,835
Civilian Employed Population 16 years and over	4,417,746
Unemployment Rate	3.0

Unemployment Rate for Ages 16-24	Data unavailable
Unemployment Rate for Ages 25-65	Data unavailable

**Table 31 - Labor Force**

Data Source: 2017-2021 ACS

Occupations by Sector	Number of People	
Management, business and financial	2,031,791	\$83,779
Farming, fisheries and forestry occupations	14,884	\$26,113
Service	646,999	\$22,352
Sales and office	768,138	\$34,814
Construction, extraction, maintenance and repair	300,152	\$39,747
Production, transportation and material moving	444,458	\$33,454

**Table 32 – Occupations by Sector**

Data Source: 2017-2021 ACS

## Travel Time

Travel Time	Number	Percentage
< 30 Minutes	2,213,710	59%
30-59 Minutes	1,192,634	31%
60 or More Minutes	374,512	10%
<b>Total</b>	<b>3,780,856</b>	<b>100%</b>

**Table 33 - Travel Time**

Data Source: 2017-2021 ACS

## Education:

### Educational Attainment by Employment Status (Population 25 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	189,764	15,605	135,809
High school graduate (includes equivalency)	688,493	44,223	284,286
Some college or Associate degree	858,665	46,931	229,430
Bachelor's degree or higher	1,680,185	38,197	236,526

**Table 34 - Educational Attainment by Employment Status**

Data Source: 2017-2021 ACS

## Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	8,313	24,234	38,667	75,472	79,176
9th to 12th grade, no diploma	69,984	45,120	52,297	128,106	96,527
High school graduate, GED, or alternative	269,226	261,086	226,436	545,330	369,635
Some college, no degree	304,596	238,670	198,672	414,775	249,994
Associate degree	41,889	100,836	96,536	185,523	83,032
Bachelor's degree	103,630	335,654	281,305	489,334	232,538
Graduate or professional degree	9,568	169,845	242,332	403,691	217,698
<b>Age Group Subtotal</b>	<b>807,206</b>	<b>1,175,445</b>	<b>1,136,245</b>	<b>2,242,231</b>	<b>1,328,600</b>

**Table 35 - Educational Attainment by Age**

Data Source: 2017-2021 ACS; B15001

## Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	\$28,780
High school graduate (includes equivalency)	\$35,070
Some college or Associate degree	\$42,361
Bachelor's degree	\$65,495
Graduate or professional degree	\$92,057

**Table 36 – Median Earnings in the Past 12 Months**

Data Source: 2017-2021 ACS

## Based on the Business Activity table above, what are the major employment sectors within the state?

Virginia has a strong base in Education and Health Care, Retail, and Manufacturing sectors. Industries in Virginia continue to experience robust job growth and capital investment, and the Commonwealth's unique combination of resources provides a strong foundation for success. For example: Based on the business activity table provided above are in the following areas: Arts, Entertainment, & Accommodations; Education and Health Care Services; Manufacturing; Professional, Scientific, Management Services and Retail.

## Describe the workforce and infrastructure needs of business in the state.

In the area of workforce-driven demand for graduates from specific postsecondary education and training programs with the likely supply of graduates shows that the largest occupational gaps tend to be in accounting, information technology, education, and healthcare related occupations.

**Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.**

While there are still a significant number of employees in the manufacturing sector in Virginia, overall, the decline in traditional economic sectors as well as increased international competition has left many regions of the state behind economically. Diminished resources and the lack of a community strategy have limited the Commonwealth's ability to respond. Many other urban and rural communities in Virginia face severe economic distress as they have fallen behind the rapid pace of economic change prevailing in much of the state, exacerbated by the weak economic recovery. Distressed areas often have both the greatest need and the least ability to address their condition. To succeed, distressed communities must be positioned to access opportunities in current markets by developing local and regional economic development strategies that focus and guide both local and state investment.

**How do the skills and education of the current workforce correspond to employment opportunities in the state?**

This year, the state enacted new legislation that consolidates and streamlines the dozens of different workforce training programs in the state under a new Department of Workforce Development and Advancement. This is intended to improve the matching of workers with employers, and job seekers with the training programs they need. It is also intended to improve the accountability of workforce development programs by setting up standards by which their results can be measured. With this recent change, Virginia anticipates seeing improvement in coordination between workforce training and employment opportunities.

**Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.**

See response to the following question.

**Describe any other state efforts to support economic growth.**

A key component of economic restructuring is the revitalization of Virginia's rural towns. DHCD strategically invests financial and technical resources to foster an environment that attracts private sector development and investment in communities and downtown business districts. DHCD seeks to approach these revitalization efforts on a regional, not individual basis, to maximize outcomes. By working on a regional basis and advocating for communities to work together and not in competition, there is greater opportunity to package experiences more broadly, offering a wider array of opportunities for members of the communities and those travelling through the area. Nurturing the entrepreneurial spirit is also essential for a healthy economy. Coupled with DHCD's other economic strategies, is an emphasis on expanding opportunities for non-traditional entrepreneurs and entrepreneurs that are attracted to market opportunities. Investment of resources such as Main Street,

CDBG and BEE (Building Entrepreneurial Economies) are coordinated, providing for significant leveraging and strategic utilization, and ultimately, resulting in greater impact. Assistance is used to address the myriad of factors influencing economic investment from critical market intelligence, capitalizing loan pools, delivery of technical assistance, and other mechanisms which cultivate new community-based business and financing opportunities. DHCD also administers the state Enterprise Zone program, designed to spur private investment and job creation in targeted areas. In addition, the state has also invested funds in a program to encourage the redevelopment of “white elephant” buildings in distressed communities. Additionally, the state Virginia Economic Development Partnership is responsible for coordinating new business investment, expansion of existing business, and fostering international trade.



## **MA-50 Needs and Market Analysis Discussion**

**Are there areas where households with multiple housing problems are concentrated?  
(Include a definition of "concentration")**

There are many areas in the state with concentrated housing problems. DHCD's programs are designed to address these housing problems and give preference to projects that are located in these areas of concentration. Please see the following link for a full housing market analysis:

<https://www.virginiahousing.com/about/economic-impact>

**Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (Include a definition of "concentration")**

Please see the following link for a full housing market analysis:

<https://www.virginiahousing.com/about/economic-impact>

**What are the characteristics of the market in these areas/neighborhoods?**

Please see the following link for a full housing market analysis:

<https://www.virginiahousing.com/about/economic-impact>

**Are there any community assets in these areas/neighborhoods?**

Please see the following link for a full housing market analysis:

<https://www.virginiahousing.com/about/economic-impact>

**Are there other strategic opportunities in any of these areas?**

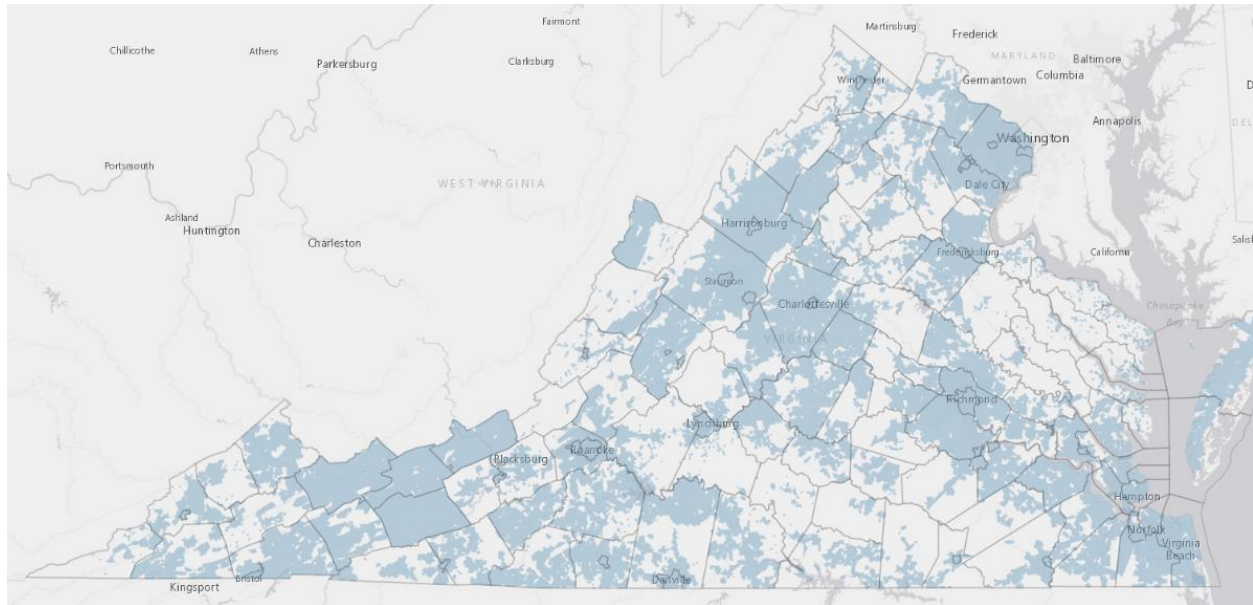
Please see the following link for a full housing market analysis:

<https://www.virginiahousing.com/about/economic-impact>

## MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

### Introduction

Access to broadband internet is varied across localities in Virginia. Rural communities tend to lack reliable access to high-speed internet, given that broadband infrastructure is a less lucrative investment in sparsely populated localities.



**Figure 5 – Census Blocks Reporting 85% Broadband Coverage**

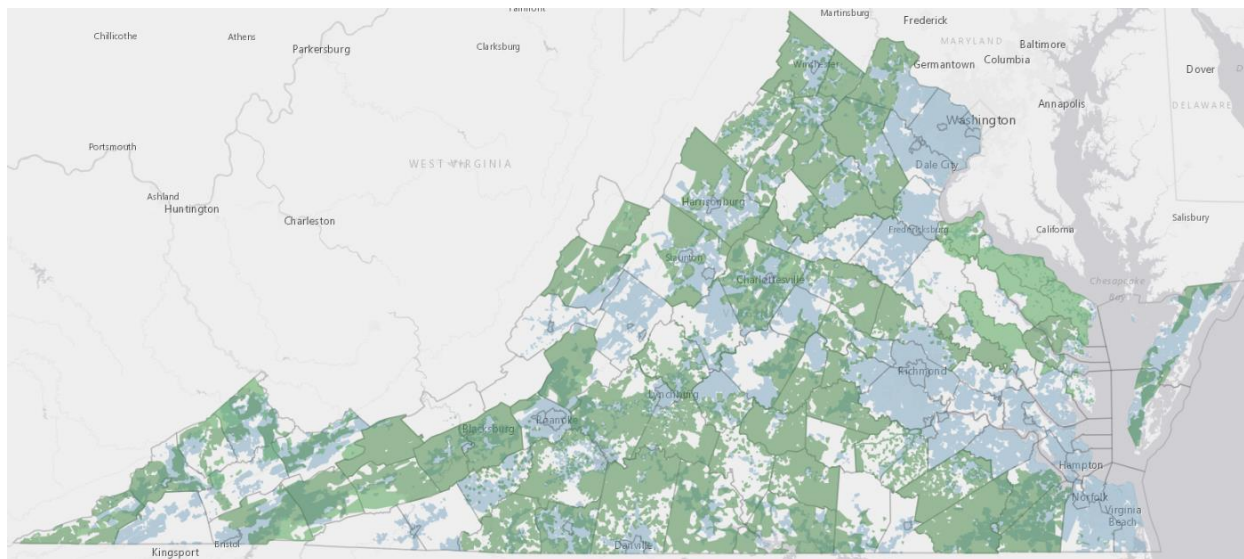
**Data Source:** Service territory data collected from Internet Service Providers December 2021

### Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

The Virginia Department of Housing and Community Development's Office of Broadband partners with local governments and internet service providers through multiple programs to ensure Virginians have access to broadband infrastructure. The office's largest program, the Virginia Telecommunication Initiative (VATI), has invested over \$798 million of state and federal dollars to provide broadband access to over 424,000 homes, businesses, and community anchor institutions. This investment has leveraged an additional \$1.1 billion in matching funds from local governments and internet service providers, fully obligating funding for universal broadband access in 75 Virginia counties and cities.

As a product of this work, Virginia remains on track to obligate funding for functional universal broadband access by 2024. By this definition, every Virginia home, business, and community anchor that can be reached through a cost-effective solution will be included in a project area for expanding broadband infrastructure to include these locations.

Rural areas are often comprised of low- and moderate-income households and neighborhoods. Statewide, because of their lack of density and return on investment from unsubsidized expansion, these rural areas, regardless of income levels, disproportionately lack connection to high-speed internet. DHCD has made progress expanding high-speed internet access in through its administration of VATI. DHCD will continue to invest in the VATI, among other programs, to improve internet connectivity for the those without broadband access, including low-income populations.



**Figure 6 – Census Blocks Reporting 85% Broadband Coverage (Blue) & Virginia Telecommunication Initiative Project Areas (Green)**

**Data Source:** Service territory data collected from Internet Service Providers December 2021

### **Describe the need for increased competition by having more than one broadband Internet service provider (ISP) serve the jurisdiction.**

DHCD's Office of Broadband recently received planning funds under the Digital Equity Act, which is a component of the larger Infrastructure Investments and Jobs Act. With these funds, the Office of Broadband will begin to understand, and develop plans to address, gaps in broadband affordability and adoption across the Commonwealth. Activities under this planning grant include stakeholder engagement and needs assessment, regional planning grants, and the development of Virginia's Digital Opportunity Plan. DHCD recently published the Commonwealth Digital Affordability and Cost Effectiveness Plan, which identified gaps in adoption of the federal Affordable Connectivity Program – a \$30/month discount towards the cost of broadband services for eligible low-income households. DHCD has since applied for funding through the federal Affordable Connectivity Program Outreach grant to boost adoption of this critical program through targeted outreach to areas of high-eligibility and high broadband coverage.

### **Discussion**

Access to high-speed broadband internet is becoming a prerequisite for success in an increasingly digital Virginia. The COVID-19 pandemic necessitated a widespread pivot toward remote work, virtual learning, and telehealth services. Virginians' reliance on high-speed internet has grown over the past three years; this trend is expected to continue in the next five years as new technologies emerge to digitize corporate, academic, and health environments. DHCD will continue to leverage federal and state resources to improve access to affordable, universal, high-speed internet access statewide.

## MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

### Describe the jurisdiction's increased natural hazard risks associated with climate change.

The Commonwealth of Virginia is experiencing impacts of climate change including sea level rise, extreme weather, and changing seasonal temperatures. Coastal communities are particularly vulnerable to economic and social risks from extreme weather events including heat waves, drought, tropical storms, high winds, storm surges, and heavy downpours. These risks are projected to increase substantially in the coming years due to climate change, sea level rise, and increased development in coastal areas and other vulnerable locations.

The confluence of increased rainfall and rising sea levels in coastal Virginia leads to more frequent, more severe occurrences of tidal flooding. As a result, affected jurisdictions face economic consequences including the need to replace and upgrade infrastructure, loss of property and declining business values, and loss of tax revenue. Currently, the average annualized losses from coastal flooding in Virginia Beach are estimated to be \$26 million per year; this figure is expected to triple over the next 20 years as the climate grows progressively more volatile. In Norfolk, stormwater drainage infrastructure is compromised by as much as 50 percent in some areas; as tidal flooding worsens over time, the damage to flood management systems increases households' exposure to natural hazard risks.

Despite advances in disaster preparedness, extreme weather is now affecting the safety, health, and economies of entire regions. Investment in housing and neighborhoods located in natural hazard areas creates uncertainty for residents due to the ability to obtain flood insurance and the marketability of property resale in hazard areas. Future extreme weather events and the effects of climate change in everyday planning and decision-making will have an impact on the cost and availability of housing.

The impacts of climate change on coastal Virginia will have statewide ramifications. Millions of people across the state will be indirectly affected by economic losses and displacement in the coastal area. While climate change is a global challenge, response efforts are generally coordinated at the local level. This situation provides an opportunity to embrace a holistic approach to housing preservation, economic development, and community resilience across the Commonwealth.

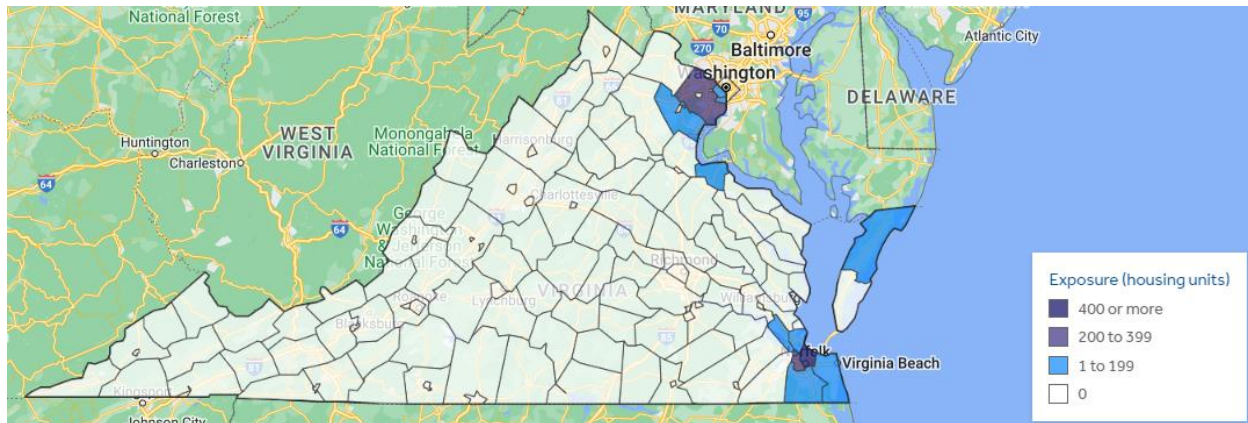
Billion-Dollar Natural Disaster Events in Virginia: 1980-Present						
Type	Total Events	Avg. Length in Days	Total Cost	Avg. Cost	Total Deaths	Avg. Deaths
Winter Storm	17	5	\$77,191.4	\$4,540.7	1261	74
Tropical Cyclone	21	3	\$359,158.6	\$17,957.9	1003	48
Severe Storm	39	3	\$99,264.1	\$2,545.2	858	22
Freeze	3	6	\$10,141.1	\$3,380.4	151	50
Flooding	4	4	\$9,592.6	\$2,398.2	130	33
Drought	12	175	\$150,893.1	\$12,574.4	3183	265

**Table 50 – Billion-Dollar Weather and Climate Disasters**

**Data Source:** NOAA National Centers for Environmental Information (NCEI). U.S. Billion-Dollar Weather and Climate Disasters 2022\*

\* Does not include 2022's Hurricane Ian or December Extreme Freeze events

**Virginia Affordable Housing at Risk of Flooding: 2050 Projections by County**



**Figure 7 – Affordable Housing Units Exposed to Flood Risk by 2050**

**Data Source:** Climate Central Coastal Risk Screening Tool, 2021

**Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.**

Nationwide, low- and moderate-income households are disproportionately vulnerable to the effects of climate change. As the rate of sea level rise accelerates, an increasing number of housing units in coastal states will be destroyed or rendered uninhabitable. Affordable housing units are generally more vulnerable to flooding as they tend to be older, poorer quality and rarely equipped with resiliency enhancing features. Residents of low-lying affordable housing, who tend to be low-income persons living in old and poor-quality structures, are especially vulnerable to this risk.

These trends are salient in the Commonwealth of Virginia, which has the fourth highest number of affordable homes at risk, ranking behind just New York, New Jersey, and Massachusetts. The number of at-risk affordable homes in Virginia is projected to rise from 395 in 2020 to nearly 1,500 by 2050 under a mid-range sea level rise forecast. Both the cities of Norfolk and Portsmouth are among the top 20 localities in the nation, with between 3.6% and 6.7% of affordable housing at risk by 2050 under a high carbon emission scenario. Given the existing shortage of affordable housing in Virginia, these projections demonstrate the urgent need for additional affordable units and improved resiliency in existing affordable units.

Low- and moderate-income households are simultaneously the most vulnerable to the natural hazard risks associated with climate change and the least well-equipped to prepare for and cope with extreme weather and climate-related events. While more affluent families residing in at-risk coastal housing units may have sufficient resources to relocate in advance of impending hazards, lower-income residents are often stuck in at-risk units until they are displaced. This widespread displacement may impose strain

upon a locality's shelters and other emergency resources, resulting in diminished quality of support for affected individuals and families.

The effects of climate change on Virginia's low- to moderate-income households will vary between urban and rural communities. As the frequency and severity of heat waves increases, low- to moderate-income households, particularly in urban communities, may be unable to afford life-saving air conditioning or lack access to official cooling centers. Conversely, zoning classifications in rural areas may preclude waterfront businesses from relocating as sea level rises. Regardless of locality, racial and ethnic minorities, the poor, the elderly, renters, non-native English speakers, and those with mobility challenges will be disproportionately affected by recurrent flooding and heat waves. DHCD currently utilizes state resources for the Housing Innovations in Energy Efficiency (HIEE) program to weatherize and improve housing units for low-income families and individuals across the state.



# Strategic Plan

## SP-05 Overview

### Strategic Plan Overview

This Consolidated Plan identifies four high priority needs in Virginia. These needs are:

- Lack of affordable and safe housing
- Individuals and families experiencing homelessness and housing insecurity
- Barriers to competitive and sustainable communities

Overall DHCD's goals are to target these federal resources (CDBG, ESG, HOME, National Housing Trust Fund (NHTF), HOPWA, and HOME-ARP) and to leverage other state resources to address these needs by:

- Increasing access to affordable and safe housing units
- Decreasing the number individuals and families experiencing housing instability
- Creating competitive and sustainable communities

DHCD works with many partners to accomplish these goals. These partners include units of local government, other state agencies, housing developers, CHDOS, nonprofits, and regional planning groups.

While work on these goals is ongoing the commonwealth will incorporate other specific strategies to help meet these goals. These include a plan to address the barriers to fair housing, a plan to end homelessness, measure to address lead-based paint hazards, and anti-poverty measures.



## **SP-10 Geographic Priorities – 91.315(a)(1)**

### **Geographic Area**

**Table 37 - Geographic Priority Areas**

#### **General Allocation Priorities**

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

CDBG is restricted to non-CDBG entitlement areas. HOME allocated through the ASNH program is statewide with scoring preference for projects located in HOME non-entitlement areas. HOME allocated to the Down Payment Assistance program is allocated through subrecipients statewide. The NHTF and ESG are statewide. HOPWA is allocated within the balance of state EMSA. Please see each programs method of distribution for more details.

## SP-25 Priority Needs – 91.315(a)(2)

### Priority Needs

Table 38 – Priority Needs Summary

<b>1</b>	<b>Priority Need Name</b>	Lack of safe and affordable housing units
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Families with Children Elderly Rural Chronic Homelessness Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Non-housing Community Development Other
	<b>Geographic Areas Affected</b>	Statewide
	<b>Associated Goals</b>	Increase access to safe and affordable housing
	<b>Description</b>	To increase the number of new and improved affordable housing units, including those targeted to special needs populations.

	<b>Basis for Relative Priority</b>	Lack of affordable housing impact every region of Virginia and presents a significant challenge for those households with special needs. The special needs household typically have very low and extremely low incomes and compete for scarce affordable units that may or may not have the accommodations that are needed. In addition, access to transportation and services is another critical factor.
2	<b>Priority Need Name</b>	Individuals and families experiencing homelessness and housing instability
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Persons with HIV/AIDS and their Families veterans
	<b>Geographic Areas Affected</b>	Statewide
	<b>Associated Goals</b>	Increase housing stability
	<b>Description</b>	Decrease the number of individuals and families experiencing homelessness and housing instability.
	<b>Basis for Relative Priority</b>	The commonwealth's goals are to reduce the number experiencing homelessness, reduce the length of time people are homeless, and to prevent individuals from returning to homelessness.
3	<b>Priority Need Name</b>	Barriers to competitive/sustainable communities
	<b>Priority Level</b>	High
	<b>Population</b>	Non-housing Community Development
	<b>Geographic Areas Affected</b>	Statewide

	<b>Associated Goals</b>	Create Competitive and Sustainable Communities
	<b>Description</b>	Localities face multiple barriers to being competitive and sustainable communities that prevent them from successfully attracting and retaining businesses and workers and reduce overall quality of life. For example, poor infrastructure, low education levels, and lack of business capital can reduce the ability of communities to maintain or expand their levels of economic success. It is also important for communities to manage their resources in a way that meets current needs while ensuring that future generations can also be provided for. Many communities need support to provide public facilities and public services that increase quality of life.
	<b>Basis for Relative Priority</b>	Localities face multiple barriers to being competitive and sustainable communities, such as poor infrastructure, lack of business capital, and inability to provide public facilities and public services that increase quality of life.

## SP-30 Influence of Market Conditions – 91.315(b)

### Influence of Market Conditions

<b>Affordable Housing Type</b>	<b>Market Characteristics that will influence the use of funds available for housing type</b>
Tenant Based Rental Assistance (TBRA)	HOPWA provides TBRA to prevent homelessness. ESG TBRA provides assistance to re-house rapidly individual and families who are homeless. The Commonwealth will leverage HOME-ARP funds to provide TBRA to individuals and families experiencing homelessness, as well as those at risk of homelessness or housing insecurity and those fleeing domestic violence. Vouchers are most effective in communities with an existing supply of vacant housing.
TBRA for Non-Homeless Special Needs	HOPWA provides TBRA to prevent homelessness. ESG TBRA provides assistance to re-house rapidly individual and families who are homeless. The Commonwealth will leverage HOME-ARP funds to provide TBRA to individuals and families experiencing homelessness, as well as those at risk of homelessness or housing insecurity and those fleeing domestic violence. Vouchers are most effective in communities with an existing supply of vacant housing.
New Unit Production	New unit production is emphasized in markets with relatively low vacancy rates, limited available affordable housing, and/or accessibility needs.
Rehabilitation	Rehabilitation is emphasized in markets with relatively low vacancy rates, limited available affordable units, accessibility needs, and/or to preserve existing affordable units. Please note that units targeted to special needs populations must be supported by evidence of a local demand for the specific target population.
Acquisition, including preservation	In markets with relatively low vacancy rates, limited available affordable units, accessibility needs, and/or to preserve existing affordable units. Please note that units targeted to special needs populations must be supported by evidence of a local demand for the specific target population.

**Table 39 – Influence of Market Conditions**

## **SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)**

### **Introduction**

### **Anticipated Resources**

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Public-federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$18,806,749	\$0	\$11,246,773	\$30,053,522	\$75,226,996	CDBG funding will be allocated to four principal categories of usage: State Administration, State Technical Assistance, Planning Grant, and Community Improvement Grants includes public services as eligible activity.
HOME	Public-federal	Acquisition Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$11,249,059	\$1,403,076	\$0	\$12,652,135	\$50,608,540	HOME funds are allocated through the Affordable Special Needs Housing (ASNH), Down Payment Assistance (DPA), and CHDO Operating.

HOPWA	Public-federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	\$1,631,954	\$0	\$0	\$1,631,954	\$8,159,770	HOPWA is administered through seven sub-grantees to provide housing assistance and support services.
ESG	Public-federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$3,205,897	\$0	\$0	\$3,205,897	\$16,029,485	ESG is allocated through a community-based process to provide rapid rehousing assistance.



HTF	Public-federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	\$16,038,732 (HUD FY23 numbers not released; estimate from FY22)	\$71,791	\$0	\$16,110,523 (includes FY22 estimate)	\$64,442,092 (includes FY22)	NHTF is allocated through the ASNH program.
HOME-ARP	Public-federal	Acquisition Admin and Planning Multifamily rental new construction Multifamily rental rehab TBRA	\$0	\$0	\$0	\$0	\$39,724,473	The Commonwealth of Virginia's HOME-ARP Allocation Plan was approved and includes administration and planning, nonprofit operating support, developer subsidy, and TBRA.

**Table 40 - Anticipated Resources**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

The federal resources will be leveraged along with other state resources to provide affordable housing, community development, and to address issues impacting the causes of homelessness. For the HOME program, the state will meet the required 25 percent match through the contribution of State general revenue funds to housing projects assisted with HOME funds and that meet the HOME affordability requirements.

CDBG projects do not have a specific match requirement, but applicants can enhance their competitiveness by incorporating local resources. ESG requires a dollar-for-dollar match. DHCD will use state general funds appropriation for homeless prevention and homeless services as the match for the ESG program. The HOPWA program does not have a match requirement.

**If appropriate, describe publicly owned land or property located within the state that may be used to address the needs identified in the plan.**

Not applicable.

### **Discussion**

Please see each program's method of distribution and the corresponding program designs and guidelines for more information.

### **SP-40 Institutional Delivery Structure – 91.315(k)**

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

<b>Responsible Entity</b>	<b>Responsible Entity Type</b>	<b>Role</b>	<b>Geographic Area Served</b>
ACTS - Action in Community Through Service	Non-profit Organization	Homelessness	Region
AIDS Response Effort, Inc.	Subrecipient	Non-homeless special needs	Region
Arlington County Government	Subrecipient	Homelessness	Region
Arlington Partnership for Affordable Housing	Developer	Rental	Local
Bay Aging	Developer	Non-homeless special needs; Ownership; Rental	Region
Better Housing Coalition Sponsored	CHDO	Rental housing	Region
Carpenter's Shelter	Subrecipient	Homelessness	Region
Clinch Valley Community Action, Inc.	Subrecipient	Ownership	Region
Community Housing Partners	CHDO	Rental	Region
Council of Community Services	Non-profit Organization	Homelessness; Non-homeless special needs	Region
Culpeper Community Development Corp.	Subrecipient	Homelessness	Region
Doorways for Women and Families	Subrecipient	Homelessness; Non-homeless special needs	Region
ESCADV	Non-profit Organization	Domestic Violence	Region
Family Crisis Support Services, Inc.	Subrecipient	Homelessness; Non-homeless special needs	Region
Family Resource Center, Inc.	Subrecipient	Homelessness; Non-homeless special needs	Region
First Step: A Response to Domestic Violence	Subrecipient	Homelessness; Non-homeless special needs	Region
ForKids, Inc.	Non-profit Organization	Homelessness	Region
Habitat for Humanity Virginia Chapters	Developer	Ownership	State

Hanover Safe Place	Subrecipient	Homelessness; Non-homeless special needs	Region
Helping Overcome Poverty's Existence, Inc.	Non-profit Organization	Homelessness; Non-homeless special needs; Rental	Region
Hope Community Builders	CHDO	Ownership	Region
Housing Opportunities Made Equal of Virginia, Inc.	Non-profit Organization	Planning	State
Lynchburg Community Action Group	Subrecipient	Ownership	Jurisdiction
Mercy House, Inc.	Subrecipient	Homelessness	Region
Micah Ecumenical Ministries	Subrecipient	Homelessness	Region
Nelson County Community Development Foundation	Non-profit Organization	Ownership; Rental	Jurisdiction
New River Community Action, Inc.	Subrecipient	Homelessness	Region
New Road Community Development Group, Inc.	Developer	Rental	Region
Northern Virginia Family Service	Non-profit Organization	Homelessness	Region
People Incorporated Housing Group	Subrecipient	Homelessness; Rental	Region
Petersburg Redevelopment and Housing Authority	PHA	Public housing; rental	Jurisdiction
Piedmont Housing Alliance	CHDO	Ownership; Rental	Region
Rush Homes	CHDO	Ownership; Rental	Region
Southside Outreach Group Inc	CHDO	Ownership; Rental	Region
St. Joseph's Villa	Subrecipient	Homelessness	Region
Total Action Against Poverty	Non-profit Organization	Homelessness; Ownership; Rental	Region
Tri-County Community Action Agency	Subrecipient	Ownership	Region
Virginia Housing	PHA	Non-homeless special needs; Ownership; Planning; Rental	State
Virginia Planning District Commissions	Public Institution	Planning	Region

Virginia Supportive Housing	Developer	Rental	Region
Women's Resource Center of the New River Valley	Non-profit Organization	Homelessness	Region

**Table 41 - Institutional Delivery Structure**

### **Assess of Strengths and Gaps in the Institutional Delivery System**

DHCD works with many different organizations, both public and private, to carry out its Consolidated Plan. The community economic development activities are carried out through contractual agreements with units of local government. Please note that while individual localities are not listed separately in the chart above, a total of nearly 300 localities are considered a part of the institutional delivery system. The housing activities, both production and preservation activities, are accomplished through partnerships with units of local government, non-profits, housing developers, and specifically through partnerships with state certified Community Housing Development Organizations (CHDOs). Homelessness, HIV/AIDS, and other special needs services result from DHCD's relationship with Continuums of Care and a network of non-profit service providers including shelters and units of local government across the Commonwealth of Virginia. Appropriate service coverage and the logistics of getting the funding and activities to the areas of need within Virginia are on-going challenges. The solution in many cases is long-term and evolving. DHCD works with community-based organizations to develop local assets for meeting local needs. DHCD puts special emphasis on CHDO development and encourages partnerships and collaborations in the work that is done. Public housing authorities (PHAs) are components in the statewide system for the delivery of affordable housing. Local housing authorities are established through the auspices of local government, subject to state enabling legislation. Neither the state nor DHCD specifically has direct oversight for local PHAs, however we may partner with these entities through a grantee or project sponsor relationship to complete local projects or activities. DHCD does certify local plans and projects' consistency with the state program's Consolidated Plan.

### **Availability of services targeted to homeless persons and persons with HIV and mainstream services**

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
<b>Homelessness Prevention Services</b>			
Counseling/Advocacy	X	X	x
Legal Assistance	x		
Mortgage Assistance	x		x
Rental Assistance	X	X	x
Utilities Assistance	X	X	x
<b>Street Outreach Services</b>			
Law Enforcement		x	
Mobile Clinics	X	x	
Other Street Outreach Services	X	x	

Supportive Services			
Alcohol & Drug Abuse	X		
Child Care	X		
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X	X	x
HIV/AIDS	X	X	x
Life Skills	X		
Mental Health Counseling	X	X	X
Transportation	x		
Other			
Other			

Table 42 - Homeless Prevention Services Summary

**Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction**

DHCD will distribute state and federal resources for homeless assistance and prevention services through a CoC-based application. This method of distribution will require local planning and coordination among service providers. It is also required that mainstream resources are maximized to meet the needs of those experiencing homelessness including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. HOPWA funding will also be distributed through a CoC-based methodology. In addition, HOPWA funds for support services are structured as a “last resort” resource. This program requirement requires full utilization of mainstream resources, where available, to meet overall client needs. To receive state and federal resources, CoCs must have partners and membership that represent organizations that provide mainstream resources including but not limited to, health, mental health, employment, substance use providers, food banks, etc.

**Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above**

While there are a number of services available at the community level for special needs populations and some services that are specifically targeted to individuals and families experiencing homelessness or HIV/AIDS, these services are not available at levels sufficient to meet local needs. This is particularly the case for employment, affordable healthcare, and mental health and substance abuse services. In addition, a large proportion of Virginia’s localities are considered rural. In these rural areas of Virginia lack of transportation is a barrier to accessing available services. In some areas of Virginia access to

services will require transportation to another county. DHCD's method of distribution for homeless service funding prioritizes low barrier access and housing first services. This methodology serves as a best practice for all providers to ensure access to services.

**Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs**

Through development activities and partnerships with localities and developer partners, DHCD will continue to encourage and prioritize affordable and accessible housing production within close proximity to existing community-based services. DHCD will also continue to work with local governments to identify community-based services, infrastructure, an economic development needs and provide assistance and resources to help address these needs.



## SP-45 Goals Summary – 91.315(a)(4)

### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator

1	Create Competitive and Sustainable Communities	2023	2027	Non-Housing Community Development	Barriers to competitive/sustainable communities	CDBG: \$84,224,414	<p>Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 25,000 Persons Assisted</p> <p>Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 1,000 Households Assisted</p> <p>Public service activities other than Low/Moderate Income Housing Benefit: 5,000 Persons Assisted</p> <p>Facade treatment/business building rehabilitation: 135 Businesses</p> <p>Jobs created/retained: 535 Jobs</p> <p>Businesses assisted: 100 Businesses Assisted</p> <p>Buildings Demolished: 100 Buildings</p>
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<b>2</b>	Increase access to safe and affordable housing	2023	2027	Affordable Housing  Non-Homeless Special Needs	Lack of safe and affordable housing units	HOME: \$50,608,540  HTF: \$80,552,615 (includes FY22 number)  CDBG: \$21,056,103  HOME ARP: \$21,765,803	Rental units constructed: 550 Household Housing Unit  Rental units rehabilitated: 755 Household Housing Unit  Homeowner Housing Added: 100 Household Housing Unit  Homeowner Housing Rehabilitated: 450 Household Housing Unit  Direct Financial Assistance to Homebuyers: 350 Households Assisted
<b>3</b>	Increase housing stability	2023	2027	Homeless	Individuals and families experiencing homelessness and housing instability	ESG: \$16,029,485  HOPWA: \$8,159,770  HOME ARP: \$8,100,000	Tenant-based rental assistance / Rapid Rehousing: 10,650 Households Assisted

**Table 43 – Goals Summary**

## Goal Descriptions

1	<b>Goal Name</b>	Create Competitive and Sustainable Communities
	<b>Goal Description</b>	Virginia seeks to enhance infrastructure, education, and access to business capital to improve the ability of communities to maintain or expand their levels of economic success. It is also important for communities to manage their resources in a way that meets current needs while ensuring that future generations can also be provided for. Virginia also seeks to help communities to provide public facilities and public services that increase quality of life now and in the future.
2	<b>Goal Name</b>	Increase availability of safe and affordable housing
	<b>Goal Description</b>	This goal seeks to preserve and improve existing affordable units and create new affordable units. Additionally, this goal seeks to preserve and improve existing affordable units and create new affordable units available to households with special needs. Virginia will also increase access by providing rent assistance through the HOPWA program and through HOME ARP TBRA.
3	<b>Goal Name</b>	Increase housing stability
	<b>Goal Description</b>	Virginia seeks to decrease the number of individuals experiencing homelessness, reducing the length of time people are homeless, and reduce the number who return to homelessness through targeted rapid re-housing assisted through the Virginia's allocation of ESG funds.

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)**

All 100 proposed new homeowner units and direct assisted homebuyer will be targeted to 80 percent or below AMI. All HOME and NHTF rental new construction (450 units) and rehabilitation (600 units) will be targeted to 60 percent or below, but many of these will be targeted to lower incomes (50 and 30 percent all below AMI). All NHTF units are targeted to 30 percent or below. All HOME-ARP units (100) will be targeted to qualifying populations. All 450 rehabilitation to existing homeowner units, as well as rental rehab performed with CDBG (155 units), will be at or below 80 percent of AMI.

## **SP-50 Public Housing Accessibility and Involvement – 91.315(c)**

### **Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)**

DHCD is not a housing authority, however DHCD requires projects to meet Section 504 accessibility requirements based on project type. The ASNH application process gives preference to projects that exceed minimum requirements.

### **Activities to Increase Resident Involvements**

While DHCD requires that CHDO projects involve tenants in management decision, it is not a state housing authority and does not have authority over any local public housing authorities.

### **Is the public housing agency designated as troubled under 24 CFR part 902?**

Not applicable

### **Plan to remove the ‘troubled’ designation**

Not applicable

## **SP-55 Barriers to Affordable Housing – 91.315(h)**

### **Barriers to Affordable Housing**

Virginia's shortage of affordable housing is exacerbated by state and local public policies and private procedures which limit the production of affordable units and hinder access to housing for low-income individuals and families.

Local land use regulations, which can restrict what type of development can occur in specific locations, vary broadly across jurisdictions within the Commonwealth. The sheer number of local ordinances and their inherent heterogeneity imposes challenges in taking a statewide perspective of specific barriers to affordable housing. Generally, zoning regulations and other local ordinances can restrict the supply of housing by establishing minimum lot sizes, maximum building heights, and planning approval processes for properties in a geographical area. These policies can intentionally or unintentionally limit housing choice for members of protected classes.

Moreover, while local land use restrictions may confer benefits in some cases, they have a substantial impact on property values. Although income level is not a protected class, surging property values can severely limit housing choice for low-income families, particularly for members of protected classes. Local ordinances that are frequently found to be discriminatory involve those affecting people with disabilities, families, and those involving issues of national origin.

Between FY2017 and FY2021, approximately 35 percent of the Fair Housing Complaints filed in Virginia alleged discrimination on the basis of disability status. The second most common alleged fair housing offense involved race-based discrimination, comprising 24 percent of complaints between FY2017 and FY2021. For both conventional and government-backed loans, mortgage applications submitted by minority candidates are consistently denied at a higher rate than those from white applicants, regardless of income level.

### **Strategy to Remove or Ameliorate the Barriers to Affordable Housing**

The following are key barriers to fair housing in Virginia. DHCD structures policies and programs to help address the barriers and helps to inform localities of the barriers and their responsibility to help address the impediments to fair housing.

1. Discrimination in the rental and sales housing markets. Particularly, discrimination based on disability and race:

- Increase testing and enforcement efforts in the rental and sales housing markets to ensure that members of protected classes are being offered an equal opportunity to access all housing options in their communities; publicize results of testing programs.
- Increase education efforts for landlords, leasing agents, and real estate professionals about their fair housing responsibilities; in

particular, stress the importance of making reasonable accommodations for persons with disabilities.

- Increase education efforts for individuals seeking housing so they are aware when they are victims of discrimination and so that they are aware of their options to resolve the situation.
- Increase enforcement of affirmative marketing of affordable housing options to members of the protected classes.

2. Constraints in the mortgage lending market. Minorities experience higher denial rates in the mortgage markets at all income levels, particularly at the lowest income levels in the conventional loan market:

- Increased oversight of mortgage lending and denial practices.
- First-time homebuyer education, affirmatively marketed to minorities.
- Continued support of financial literacy and credit counseling initiatives.
- Increased awareness regarding the availability of Federal Housing Administration (FHA) and other government supported loans.
- Reassess HMDA data once 2023 changes have occurred which include additional applicant data (including creditworthiness).

3. Additional fair housing education among real estate agents, landlords, housing providers, local officials, and especially, individuals is needed. Training available outside the major metro areas is needed:

- Increase fair housing educational opportunities for renters and homebuyers; in particular, members of the protected classes.
- Increase the availability of seminars and classes for housing providers regarding fair housing law; expand such educational opportunities to include rural and non-metro areas, consider online venues.
- Up-to-date, relevant, and clearly written fair housing materials for individuals made readily available on multiple state websites and in housing providers' offices.
- Encourage housing providers and other relevant stakeholders to utilize social networking and social media to inform both clients and landlords of fair housing policy.
- Develop a model Tenant Selection Plan (TSP) which includes necessary language to ensure methods for collecting and evaluating housing applications are non-discriminatory. This document will be used as a baseline to score DHCD program applicants' intended adherence to fair housing best practices and incentivize subrecipients to prioritize these concerns.

4. Availability and access to quality affordable housing; there are a large number of low-income households in need of affordable housing and there are a large number of cost-burdened households, especially in the rental housing market. "Crowding out," and combined transportation and housing costs are areas of concern regarding affordable housing:

- Continued support of federal, state, and local efforts to preserve and produce quality affordable housing.
- Continued support of partnerships between nonprofit, state, local, and federal partners to efficiently leverage resources for the production of affordable housing.
- Support of public-private partnerships that create affordable and mixed-income housing.
- Support of efforts that match appropriately priced housing with varied transportation options.
- Promote the use of housing databases such as those offered by the Virginia Housing Development Authority (VHDA), <http://www.virginiahousingsearch.com/>.

Please see the full Analysis of the Impediments for more details.



## **SP-60 Homelessness Strategy – 91.315(d)**

### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The state requires that all Virginia CoCs and individual service providers utilize a coordinated assessment system, through which CoCs ensure that all people experiencing a housing crisis have fair and equal access and are quickly identified, assessed for, referred and connected to housing and assistance based on their strengths and needs. The coordinated assessment system must assure that CoCs assess homeless persons by a common tool and receive appropriate services based on the standards of care. In addition, targeted homeless street outreach is an approach that is implemented in communities within the Commonwealth.

### **Addressing the emergency and transitional housing needs of homeless persons**

The Commonwealth of Virginia leverages both state and federal resources to address the needs of homelessness individuals and families. These resources include those for shelter operations, prevention, rapid re-housing and permanent supportive housing. Emergency shelters in the commonwealth are required to be low-barrier and provide housing-focused case management services with the ultimate goal of connecting individuals and households to permanent housing. The state's goals are to reduce the number of individuals experiencing homelessness, to shorten the length of homelessness, and to reduce the number of people returning to homelessness. While DHCD does not fund Transitional Housing, best practices are supported through technical assistance to communities that have transitional housing for targeted populations.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.**

DHCD funds programs that provide homeless assistance and prevention services to chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. DHCD requires that all funded grantees and the CoCs to have implemented policies and procedures that focus on permanent housing. In order to access state and federal funding, DHCD requires that applicant's outline their capacity to administer individualized housing focused case management at least monthly to support the transition in permanent housing

**Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are**

**receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs**

The Commonwealth of Virginia leverages state resources to divert low-income individuals and families from homelessness. The state's program requires that homeless prevention providers participate in coordinated assessment systems and that prevention resources are targeted to those seeking homeless assistance in order to better target those most likely to become homeless. In order to target extremely low individuals, state prevention funding aligns with ESG's income eligibility requirements (below 30% AMI).

## **SP-65 Lead based paint Hazards – 91.315(i)**

### **Actions to address LBP hazards and increase access to housing without LBP hazards**

Although the country banned lead paint from residential use in 1978, lead remains a danger in homes constructed before 1978 (especially in homes built before 1950). Paint deterioration and home renovations in these structures result in a significantly elevated risk for exposure to lead and subsequently lead poisoning. Based on the 2021 American Community Survey (U.S. Census) data 42.5 percent (or 1420,087 units) of Virginia occupied housing units are units constructed prior to 1978 and are at risk for lead-based paint hazards. The greatest concentration of the highest risk housing units (those built before 1950) tend to be located within Virginia's rural counties. DHCD requires specific actions to be taken based on the type and amount of assistance in the unit to include one or more of the following:

- Provision of pamphlet
- Paint testing of surfaces to be disturbed (or presume LBP)
- Safe work practices
- Repair disturbed paint
- Risk assessment
- Notice to occupants
- Interim controls
- Ongoing LBP maintenance
- Abatement if LBP hazards
- Visual assessment
- Paint stabilization

### **How are the actions listed above integrated into housing policies and procedures?**

Program guidelines provide specific lead requirements for each program and/or funding source. DHCD enforces compliance through executed agreements including lead safe requirements, reporting and project monitoring. In addition, DHCD is a HUD Lead and Health Homes grantee working to improve overall lead safety of homes in Virginia. These funds are used both in units not receiving other DHCD assistance and layered

where possible in units/projects with other DHCD assistance.

## **SP-70 Anti-Poverty Strategy – 91.315(j)**

### **Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families**

DHCD's goals, programs, and policies benefit families in Virginia by providing homeless assistance and prevention services that seek to either keep families in their homes or help them find permanent housing. These programs address barriers to housing and focus on leveraging mainstream resources whereby families may access resources reducing their level of poverty. Housing development activities seek to provide affordable housing to moderate to very-low-income housing households. These activities also include homeownership assistance and Individuals Development Accounts (IDA) that help families build financial assets and improve their overall personal wealth. Other programs managed through DHCD work to improve overall economic conditions. Additionally, DHCD provides help developing needed infrastructure and technical assistance that helps communities to be competitive and sustainable.

### **How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan?**

DHCD will promote and coordinate housing services with activities that help reduce the number of families living in poverty in Virginia. Virginia continues to pursue several economic development initiatives, like economic development portions of the CDBG program, that DHCD intends to strengthen local economies, increase employment opportunities, and enhance business opportunities, particularly within lower income communities or portions of communities. The Virginia Enterprise Zone Program offers state incentives for businesses hiring and investing in distressed communities and areas of the state that have lagged behind the overall growth of the State's economy. The affordable housing plan includes several activities that trigger Section 3 requirements. These requirements apply to development activities conducted through the CDBG and HOME programs intended to have local benefits both in hiring and contracting to local business and low-income residents.

## **SP-80 Monitoring – 91.330**

**Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

DHCD monitors all programs within the Consolidated Plan on an ongoing basis. DHCD has a standardized risk assessment system, which requires a risk assessment to be completed with each new contract or commitment. DHCD completes programmatic and financial monitoring on a sub-grantee/project sponsor level based on risk assessment results. Financial monitoring includes a review of accounting practices and procedure and a review of transactions on a programmatic level. Monitoring includes both onsite and desk monitoring. On a project or activity level, DHCD monitors project sponsors, subgrantees, and subrecipients on a regular basis in accordance with program specific guidelines, risk assessments, and state and federal regulations (e.g., labor standards). All programs conduct these monitoring activities annually, based on risk assessments, and/or as needed. The DHCD approach to project and activity monitoring is to both ensure compliance and to provide appropriate technical assistance to assure the long-term success of our partners, programs, and the clients that they serve. Please note that DHCD collects and reviews rent and occupancy reports on approximately 175 HOME rental properties across Virginia. The monitoring of these projects includes rent and occupancy reports, project financial, and onsite monitoring including for compliance with fair housing and property standard.

## Expected Resources

### AP-15 Expected Resources – 91.320(c)(1,2)

#### Introduction

Adjustments to allocation amounts by method of distribution are noted in the methods.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Public-federal	Acquisition Admin and Planning Economic Development Housing  Public Improvements Public Services	\$18,806,749	\$0	\$11,246,773	\$30,053,522	\$75,226,996	CDBG funding will be allocated to four principal categories of usage: State Administration, State Technical Assistance, Planning Grant, and Community Improvement Grants includes public services as eligible activity.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	Public-federal	Acquisition Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership  TBRA	\$11,249,059	\$1,403,076	\$0	\$12,652,135	\$50,608,540	HOME funds are allocated through the Affordable Special Needs Housing (ASNH), Down Payment Assistance (DPA), and CHDO Operating.
HOPWA	Public-federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services  TBRA	\$1,631,954	\$0	\$0	\$1,631,954	\$8,159,770	HOPWA is administered through seven sub-grantees to provide housing assistance and support services.



Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	Public-federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter  Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$3,205,897	\$0	\$0	\$3,205,897	\$16,029,485	ESG is allocated through a community-based process to provide rapid rehousing assistance.
HTF	Public-federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab  New construction for ownership	\$16,038,732 (HUD FY23 numbers not released; estimate from FY22)	\$71,791	\$0	\$16,110,523 (includes FY22 estimate)	\$64,442,092 (includes FY22)	NHTF is allocated through the ASNH program.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME-ARP	Public-federal	Acquisition Admin and Planning Multifamily rental new construction Multifamily rental rehab  TBRA	0	0	0	0	\$39,724,473	The Commonwealth of Virginia's HOME-ARP Allocation Plan was approved and includes administration and planning, nonprofit operating support, developer subsidy, and TBRA.

**Table 44 - Expected Resources – Priority Table**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

The federal resources will be leveraged along with other state resources to provide affordable housing, community development, and to address issues impacting the causes of homelessness. For the HOME program, the state will meet the required 25 percent match through the contribution of State general revenue funds to housing projects assisted with HOME funds and that meet the HOME affordability requirements.

CDBG projects do not have a specific match requirement, but applicants can enhance their competitiveness by incorporating local resources. ESG requires a dollar-for-dollar match. DHCD will use state general funds appropriation for homeless prevention and homeless services as the match for the ESG program. The HOPWA program does not have a match requirement.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs**

**identified in the plan**

Not applicable.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator

1	Create Competitive and Sustainable Communities	2023	2027	Non-Housing Community Development		Barriers to competitive/sustainable communities	CDBG: \$24,042,817	<p>Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 5,000 Persons Assisted</p> <p>Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 200 Households Assisted</p> <p>Public service activities other than Low/Moderate Income Housing Benefit: 1,000 Persons Assisted</p> <p>Facade treatment/business building rehabilitation: 27 Business</p> <p>Jobs created/retained: 107 Jobs</p> <p>Businesses assisted: 20 Businesses Assisted</p> <p>Buildings Demolished: 20 Buildings</p>
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2	Increase availability of safe and affordable housing	2023	2027	Affordable Housing  Non-Homeless Special Needs		Lack of safe and affordable housing units	HOME: \$11,949,059 (includes PI estimate)  HTF: \$16,088,732 (FY22 + PI estimate)  CDBG: \$6,010,714	Rental units constructed: 90 Household Housing Unit  Rental units rehabilitated: 151 Household Housing Unit  Homeowner Housing Added: 20 Household Housing Unit  Homeowner Housing Rehabilitated: 90 Household Housing Unit  Direct Financial Assistance to Homebuyers: 70 Households Assisted
3	Increase housing stability	2023	2027	Homeless		Households experiencing homelessness and at risk of homelessness	ESG: \$3,205,897  HOPWA: \$1,631,954	Tenant-based rental assistance / Rapid Rehousing: 2,100 Households Assisted

Table 45 – Goals Summary

## Goal Descriptions

1	<b>Goal Name</b>	Create Competitive and Sustainable Communities
	<b>Goal Description</b>	Virginia seeks to enhance infrastructure, education, and access to business capital to improve the ability of communities to maintain or expand their levels of economic success. It is also important for communities to manage their resources in a way that meets current needs while ensuring that future generations can also be provided for. Virginia also seeks to help communities to provide public facilities and public services that increase quality of life now and in the future.
2	<b>Goal Name</b>	Increase availability of safe and affordable housing
	<b>Goal Description</b>	This goal seeks to preserve and improve existing affordable units and create new affordable units. Additionally, this goal seeks to preserve and improve existing affordable units and create new affordable units available to households with special needs. Virginia will also increase access by providing rent assistance through the HOPWA program and through HOME ARP TBRA.
3	<b>Goal Name</b>	Increase housing stability
	<b>Goal Description</b>	Virginia seeks to decrease the number of individuals experiencing homelessness, reducing the length of time people are homeless, and reduce the number who return to homelessness through targeted rapid re-housing assisted through the Virginia's allocation of ESG funds.

## AP-25 Allocation Priorities – 91.320(d)

### Introduction:

DHCD seeks to improve the lives of Virginians by:

- Increasing the number of safe and affordable housing units
- Decreasing the number of individuals and families experiencing homelessness and housing instability
- Creating competitive and sustainable communities

DHCD works to achieve these goals through:

- Leveraging of resources to support effective community programs working toward these goals
- Developing strategic partnerships to address barriers to achieving these goals
- Providing planning, coordination, and management of strategies to meet these goals

### Funding Allocation Priorities

	Create Competitive and Sustainable Communities (%)	Increase availability of safe and affordable housing (%)	Increase housing stability (%)	Total (%)
CDBG	80	20	0	100
HOME	0	100	0	100
HOPWA	0	0	100	100
ESG	0	0	100	100
HTF	0	100	0	100

Table 46 – Funding Allocation Priorities

### Reason for Allocation Priorities

Funds are allocated based on the Consolidated Planning process needs assessment and public input.

### How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

HOME and NHTF resources will be leveraged to address the affordable housing priority needs. Specifically, these funds will be used to fund rental rehabilitation and new construction projects that will add additional affordable housing units and/or preserve existing affordable units based on local needs.

HOPWA funds are limited to income eligible individuals with HIV/AIDS and their families. These funds will help provide to improve housing stability for income eligible households in the subpopulation.

ESG will be fully leveraged along with other state resources to reduce the number of individuals and families experiencing homelessness. These funds will also focus on shortening the length of time people



experience homelessness and reduce the number of individuals returning to homelessness.

CDBG will be used to address locally identified needs to develop competitive and sustainable communities. These funds will be used in a number of ways including developing public facilities and/infrastructures, creating/retaining jobs, developing affordable housing opportunities, and providing assistance to local business.

## AP-30 Methods of Distribution – 91.320(d)&(k)

### Introduction:

This section provides a summary of the methods of distribution for each of program administered by DHCD designed to allocate these federal resources (CDBG, HOME, ESG, NHTF and HOPWA). Please see program guidelines, located online at [www.dhcd.virginia.gov](http://www.dhcd.virginia.gov) for more details. The program guideline details include specifics about eligible applicants, areas of the state covered by the program, eligible activities, the type of assistance available, and how to apply (if applicable) for funding.

### Distribution Methods

**Table 47 - Distribution Methods by State Program**

<b>1</b>	<b>State Program Name:</b>	Affordable and Special Needs Housing
	<b>Funding Sources:</b>	HOME HTF
	<b>Describe the state program addressed by the Method of Distribution.</b>	The Affordable Housing and Special Needs Housing program provides flexible, below-market-rate loans to projects that create or preserve affordable housing for lower-income Virginians. Broadly, eligible activity types include rental and homebuyer rehabilitation and new construction. Please see the Affordable and Special Need Housing program guidelines for more details. DHCD allocates National Housing Trust Funds through the ASNH program. Please see the NHTF Allocation Plan for more details.

	<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>HOME funds assigned to the Affordable and Special Needs Housing program will be distributed through a competitive application process that evaluates applicant projects on:</p> <ul style="list-style-type: none"> <li>• Meeting critical needs (worth 40 points)</li> <li>• Feasibility -likelihood of projects coming to a timely completion (worth 30 points)</li> <li>• Developer capacity -ability to successfully complete projects and deliver affordable housing (worth 30 points)</li> </ul> <p>DHCD will give a scoring preference to projects applying for HOME funds which are located outside of HOME entitlement or consortium localities, CHDO projects, and to rental projects which provide units for individuals with special housing needs.</p> <p>DHCD staff will review all applications received by the deadline. Applications not meeting established thresholds for funding will not be eligible. Any applicant may request comments and feedback from DHCD staff. All applicants must score at least 60 points on the application in order to be qualified for funding. DHCD will rank all qualified applications based on score and the highest scoring applicants will receive a funding commitment from DHCD based on project needs, up to the amount of funds available for the application period. If the full amount of available funding is not committed, it is carried forward into the next application period, as needed, to be made available to proposals meeting threshold requirements and scoring at least 60 points.</p> <p>Applicants that have outstanding audit or monitoring findings, unresolved IRS findings, and/or applicants not in compliance with previous DHCD agreements are ineligible for funding. Eligible applicants must be qualified developers of affordable housing, including certified CHDOs undertaking CHDO-eligible activities throughout the Commonwealth of Virginia. All funds are</p>
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	<p>intended for use with other types of financing including, but not limited to, low-income housing tax credits, bond financing, and other public and private funds. Please note that HOME compliance requirements apply. Other funding source requirements must be compatible with HOME program requirements.</p> <p>DHCD allocates NHTF through ASNH program. Please see the NHTF Allocation Plan for more details.</p>
<b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b>	Not applicable.
<b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b>	Not applicable.
<b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b>	Not applicable.
<b>Describe how resources will be allocated among funding categories.</b>	DHCD will allocate funding by funding category based on submitted proposals, local market and need, and project eligibility. These categories include rental new construction, rental rehabilitation, and homebuyer development.

	<b>Describe threshold factors and grant size limits.</b>	<p>All proposals must meet threshold requirements for funding. These include:</p> <ul style="list-style-type: none"> <li>• Eligible project type</li> <li>• Eligible activity type</li> <li>• Eligible applicant (no outstanding findings)</li> <li>• Local match (25 percent) provided for projects in HOME entitlement areas</li> <li>• Proposal meets uniform relocation requirements</li> <li>• Proposal meets accessibility requirements</li> <li>• Must score at least 60 points</li> </ul> <p>Maximum funding amount is \$2 million in federal resources for rental projects or up to 50% of total development costs for developments of for-sale homes. DHCD may charge up to an additional \$10,000 in project related costs for costs accrued by DHCD.</p> <p>DHCD allocates NHTF through the ASNH program. Please see the NHTF Allocation Plan for more details.</p>
	<b>What are the outcome measures expected as a result of the method of distribution?</b>	<p>DHCD anticipates funding approximately 30 affordable housing projects through this open RFP process. The actual types, size, composition of projects will be based on this competitive process and will vary based on overall quantitative and quality of the proposal received, the local housing markets, and relative local need. Based on statewide trends and housing markets DHCD expects that most of the funded projects will be rental projects with at least some of these targeting special needs populations.</p>
<b>2</b>	<b>State Program Name:</b>	CDBG Competitive Grants
	<b>Funding Sources:</b>	CDBG

	<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>Competitive funds can be used to provide infrastructure for new or expanding industries, provide new or improved water and sewer systems in rural areas, rehabilitate housing in declining neighborhoods, revitalize commercial districts, provide support to small businesses, and provide facilities for a variety of needed services, such as health clinics in underserved areas. Applicants are required to prove that their project will meet one of three broad national objectives: principally benefit low- and moderate- income persons; prevent or eliminate slums or blight; or address an urgent community development need (public emergency or health threat).</p>
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<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>Most CDBG assistance is distributed in the form of Competitive Grants with proposals due in the spring of each year. As the name suggests, these grants are awarded following competitive evaluation of project proposals. Approximately \$14 million will be available for Competitive Grants in 2023.</p> <p>There are five primary project types under the Competitive CIG option:</p> <ul style="list-style-type: none"> <li>• Comprehensive Community Development</li> <li>• Downtown Revitalization</li> <li>• Housing</li> <li>• Public Infrastructure</li> <li>• Community Service Facility</li> </ul> <p>Competitive grant proposals received by DHCD are evaluated qualitatively and quantitatively scored according to a 300-point scale based on the items identified below. The highest-ranking proposals are recommended for funding. Proposals are funded, in order of the ranking, to the greatest extent allowed by available funding. Following the closing date of the non-competitive programs, any funds remaining in the non-competitive programs and any program income received during the year are recaptured and made available to fund the next highest ranking competitive proposals. The next highest ranking additional proposals are funded to the greatest extent allowable by available funding.</p> <p>All competitive proposals are scored on a scale of 300 points with the following point values:</p> <ul style="list-style-type: none"> <li>• Composite Fiscal Stress Score (Maximum of 30 points)</li> <li>• Regional Priorities (Maximum of 15 points)</li> <li>• Generic Project Specific Evaluation (Maximum of 100 points)</li> <li>• Costs and Commitment (Maximum of 75 points)</li> <li>• Project-Type Specific Evaluation (Maximum of 80 points)</li> </ul>
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<b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b>	Grant administration manuals and the CDBG Program design are available from the DHCD website or by request.
<b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b>	Not applicable
<b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b>	Not applicable
<b>Describe how resources will be allocated among funding categories.</b>	Funding which has not been committed as of December 31 may be committed to Open Submission projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), or Planning Grants.
<b>Describe threshold factors and grant size limits.</b>	Assistance is provided to non-entitlement units of local government. Up to \$1,000,000 is available for economic development, housing, and infrastructure projects, up to \$700,000 for community service facility projects, and up to \$1.5 million is available for projects that will comprehensively improve a neighborhood through water, sewer, street, and housing improvements. In cases of two or more localities participating in a project with a regional impact, some grant limits can increase.  A unit of local government may not have more than \$2.5 million in CDBG open projects.
<b>What are the outcome measures expected as a result of the method of distribution?</b>	DHCD anticipates infrastructure for new or expanding industries, new or improved water and sewer systems in rural areas, rehabilitated housing in declining neighborhoods, revitalized commercial districts, support to small businesses, and new facilities for a variety of needed services, such as health clinics in underserved areas.



<b>3</b>	<b>State Program Name:</b>	CDBG Open Submission Funding
	<b>Funding Sources:</b>	CDBG
	<b>Describe the state program addressed by the Method of Distribution.</b>	Approximately \$7,000,000 is available under the Open Submission Programs. Proposals are received on an open basis from July 1 through December 30, or until all funds are awarded, whichever occurs first.

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>The Community Economic Development Fund (CED) is designed to support economic development activities, particularly those creating employment opportunities for low- and moderate-income persons, in CDBG-eligible localities. Assistance is limited to projects involving employment creation by private, for-profit basic industries. Assistance may include off-site improvements such as water lines, sewer lines, roads, and drainage. On-site assistance may be eligible in some projects, but these projects are subject to underwriting and the CDBG assistance will be made available as a loan to the locality.</p> <p>The Construction-Ready Water and Sewer Fund (CRWSF) program has been established to provide for the construction of community facility projects providing public water or sewer service to communities made up of at least 60% low- moderate- income (LMI) households or a town-wide project serving at least 55% LMI households. Only localities that are eligible for Virginia non-entitlement CDBG funds, as identified in the 2023 CDBG Program Design, are eligible to receive CRWSF monies.</p> <p>The Regional Water/Wastewater Fund (RWWW) is designed to address water and wastewater improvements on a regional scale. RWWW projects are limited to \$2.5 million (\$3 million for “super-regional, or three or more localities).</p> <p>The Community Development Local Innovation Fund provides resources for the implementation of new, innovative, and/or timely community development projects. The Local Innovation Program targets funding for innovative, small-scale pilot projects, such as Individual Development Account programs, loan programs to support economic restructuring activities, construction trades training programs, entrepreneurship development, heritage tourism, telecommunications, projects, or other efforts which provide unique, unmatched benefits to eligible Virginia communities.</p> <p>The Public Services open submission program is designed to meet unique, immediate needs in a community. Single locality-led projects can receive up to \$250,000 in funding, or up to \$1,000,000 for regional public service projects.</p>
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	<p>The Housing Rehabilitation Scattered Site program is aimed at improving LMI-occupied housing units to DHCD Housing Quality Standards. Scattered site housing projects must meet a 100% LMI benefit.</p> <p>Open Submission projects will receive funding on an open, first-come, first-served basis between July 1, 2023, and December 30, 2023. Projects that meet one or more CDBG national objectives and meet the below stated criteria will be offered an award as long as funds are still available.</p>
<b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b>	Grant administration manuals and the CDBG Program design are available from the DHCD website or by request.
<b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b>	Not applicable
<b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b>	Not applicable
<b>Describe how resources will be allocated among funding categories.</b>	Proposals are received on an open basis from July 1 through the end of December, or until all funds awarded. Funding not committed as of the beginning of October may be committed to the next highest ranking Competitive Grant project, Urgent Need Open Submission grants, or Planning Grants.

	<b>Describe threshold factors and grant size limits.</b>	<p>The CED Fund provides up to \$700,000 per project.</p> <p>Other conditions of the CRWSF follow: No more than \$12,500 of CDBG funds per household served will be made available for installation or improvement of water services. No more than \$15,000 of CDBG funds per household served will be made available for installation or improvement of wastewater services. No single grant under the CRWSF will exceed \$500,000.</p> <p>The Regional Water/Wastewater Fund is limited to \$2.5 million for single locality-led projects, or \$3 million for super regional projects.</p> <p>Local Innovation Fund awards are available to receive up to \$1,000,000 per project.</p> <p>Public Services projects may receive up to \$250,000 for single locality-led projects, or up to \$1,000,000 for regional projects.</p> <p>Housing Rehabilitation Scattered Site projects may receive up to \$1,000,000 in CDBG funds.</p>
	<b>What are the outcome measures expected as a result of the method of distribution?</b>	DHCD anticipates increased economic development activity, improved water or sewer systems, and improved housing conditions, and community needs addressed.
<b>4</b>	<b>State Program Name:</b>	CDBG Planning Grants
	<b>Funding Sources:</b>	CDBG
	<b>Describe the state program addressed by the Method of Distribution.</b>	Virginia's CDBG Planning Grant program is designed to aid in developing clearly articulated strategies for addressing communities' greatest community development needs following meaningful citizen participation.
	<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	Planning Grants will receive funding on an open, first-come, first-served basis between July 1, 2023, and December 30, 2023. Projects that meet one or more CDBG national objectives and meet the below stated criteria will be offered an award as long as funds are still available.

<b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b>	Grant administration manuals and the CDBG Program design are available from the DHCD website or by request.
<b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b>	Not applicable
<b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b>	Not applicable
<b>Describe how resources will be allocated among funding categories.</b>	Funding which has not been committed as of December 31 may be committed to Open Submission projects, Urgent Need projects, and the next highest ranking Competitive Grant project (to the established cut-off point).

	<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Non-entitlement local governments are eligible for assistance. There are six categories of Planning Grants. The first two categories are considered Pre-Project type Planning Grants:</p> <ul style="list-style-type: none"> <li>• Community Organizing Planning Grants;</li> <li>• Community Needs Assessment / Economic Assessment Planning Grants.</li> <li>• Comprehensive Community Development Planning Grants;</li> <li>• Business District Revitalization Planning Grants;</li> </ul> <p>Housing Rehabilitation Planning Grants;</p> <p>Community Service Facilities Planning Grants;</p> <p>Public Services Planning Grants;</p> <p>Public Infrastructure Planning Grants;</p> <ul style="list-style-type: none"> <li>• Regional Project Planning Grants; and</li> <li>•</li> </ul> <p>Up to \$10,000 is available for community organizing, up to \$20,000 to conduct community and / or economic needs assessments, up to \$60,000 for CCD planning activities, up to \$50,000 for Housing Rehab, Community Service Facilities, Public Services, Public Infrastructure, and business district revitalization, and up to \$60,000 is available for regional project planning.</p> <p>Eligibility under this program is subject to the following minimum criteria:</p> <ul style="list-style-type: none"> <li>• Demonstration of a clear indication of community development needs and / or opportunities.</li> <li>• The needs identified must generally be eligible targets for future CDBG investments.</li> <li>• There must be evidence that local officials and stakeholders alike are committed to fully identifying and addressing local needs.</li> <li>• There must be evidence that the locality and management team have the time, funding, and expertise to follow through with the planning process.</li> </ul>
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5		<ul style="list-style-type: none"> <li>• There must be a clear demonstration for the need of planning grant funds.</li> </ul>
	<b>What are the outcome measures expected as a result of the method of distribution?</b>	DHCD anticipates the development of clearly articulated strategies for addressing communities' greatest community development needs.
	<b>State Program Name:</b>	CDBG Urgent Need
	<b>Funding Sources:</b>	CDBG
	<b>Describe the state program addressed by the Method of Distribution.</b>	Approximately \$1,000,000 is available under the Urgent Need Open Submission. Proposals are received on an open basis from July 1 through the end of December, or until all funds awarded.
	<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	<p>Eligibility under this program is subject to the following minimum criteria:</p> <ul style="list-style-type: none"> <li>• The proposed project must alleviate existing conditions which pose a serious and immediate threat to the health and welfare of the community; and,</li> <li>• The conditions developed or became urgent within 18 months of the date the proposal is submitted; and,</li> <li>• The applicant locality is unable to finance the project on its own, no other funding is available to address the problem, and the CDBG funding will be directly targeted towards alleviation of the threatening conditions; and,</li> <li>• The threat must be supported by either:</li> <li>• A current declaration of an emergency by the Governor of Virginia relative to a flood, a hurricane, a tornado, an earthquake, or other disaster event, not including droughts, snow, or ice conditions. OR</li> <li>• A current declaration of an immediate and severe health threat by the State Health Commissioner relative to the complete failure of a public water or sewer system or incident of similar significance.</li> </ul>

	<b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b>	Grant administration manuals and the CDBG Program design are available from the DHCD website or by request.
	<b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b>	Not applicable
	<b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b>	Not applicable
	<b>Describe how resources will be allocated among funding categories.</b>	CDBG Urgent Need Open Submission funding is available to enable prompt response to existing serious and immediate threats to local health and safety. Urgent Need Open Submission Projects will receive funding on an open, first-come, first-served basis between July 1, 2023, and December 30, 2023.
	<b>Describe threshold factors and grant size limits.</b>	A current declaration of an emergency by the Governor of Virginia relative to a flood, a hurricane, a tornado, an earthquake, or other disaster event, not including droughts, snow, or ice conditions.  OR  A current declaration of an immediate and severe health threat by the State Commissioner of Health relative to the complete failure of a public water or sewer system or incident of similar significance.
	<b>What are the outcome measures expected as a result of the method of distribution?</b>	DHCD anticipates prompt response to existing serious and immediate threats to local health and safety.
<b>6</b>	<b>State Program Name:</b>	CHDO Operating Support
	<b>Funding Sources:</b>	HOME



<b>Describe the state program addressed by the Method of Distribution.</b>	The CHDO Operating Support Program will provide operating support to state certified CHDOs with operating budget needs.
<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	The CHDO must be able to demonstrate a need for operating support, must have an ASNH-HOME project award with a project not yet completed. Applications will be accepted on an open submission basis while funds are available.
<b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b>	Not applicable
<b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b>	Not applicable
<b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b>	Not applicable

	<b>Describe how resources will be allocated among funding categories.</b>	Only CHDO operating expenses are considered eligible expenses. Project costs are not eligible.
	<b>Describe threshold factors and grant size limits.</b>	CHDOs with demonstrated needs and ASNH HOME awards are eligible for up to \$30,000. CHDO Operating Support grants will be issued as one-year reimbursement-only contracts. Based on available funds -CHDO in good standing with projects underway may requests a one-year renewal.
	<b>What are the outcome measures expected as a result of the method of distribution?</b>	DHCD anticipates supporting three CHDOs during the program year with the CHDO Operating Support Program.
<b>7</b>	<b>State Program Name:</b>	Down Payment Assistance
	<b>Funding Sources:</b>	HOME

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>DPA provides down payment and closing costs assistance to income eligible (80 percent or below AMI) first-time homebuyers to obtain homes that are decent, safe and accessible. The program goal is to provide homeownership opportunities to households that otherwise may not have the opportunity to own a home. By providing these opportunities, DHCD helps to sustain affordable housing units and overall growth in personal wealth and equity for low-income Virginians. The DPA program seeks to provide this assistance statewide through local sub-recipients that provide comprehensive homeownership services including for example housing counseling, debt repair services, and foreclosure prevention.</p>
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<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>DPA is administered on a calendar year with the next grant year beginning January 2024. DPA will be administered by regional state sub-recipients selected through a competitive application process prior to the start program year. Sub-recipient selections are made as a result of an open competitive application process whereby proposals meeting threshold requirements are scored and ranked based on the following categories:</p> <ul style="list-style-type: none"> <li>• Need (40 percent)</li> <li>• Organizational capacity (30 percent)</li> <li>• Program approach (30 percent)</li> </ul> <p>Applicants must be a non-profit or a unit of government targeting services to individuals living within Virginia. All nonprofit applicants must have and be current on 990 filings (not applicable to units of government). Applicants must demonstrate the ability to manage all applicable state and federal policies and procedures including compliance with federal and state nondiscrimination laws. Applicants must be experienced with providing similar assistance and should provide a comprehensive approach to homeownership. All applicants must demonstrate the ability to coordinate DPA assistance with other HOME funds or other types of assistance. Applicants must have established internal control and fiscal accounting procedures and be able to track agency and program budgets by revenue sources and expenses. Applicants with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues are not eligible applicants and any sub-recipient selected for funding will not be eligible for subsequent allocations if any of these conditions occur.</p> <p>Please note that DHCD will work with all interested parties toward the resolution of unresolved matters, where appropriate. Applicants must demonstrate the ability to meet all reporting and record keeping requirements.</p> <p>Please note, 2024 (January 1 - December 31) is year-one of a two-year funding cycle.</p>
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<b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b>	Not applicable
<b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b>	Not applicable
<b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b>	Not applicable
<b>Describe how resources will be allocated among funding categories.</b>	In the DPA program, HOME funds are limited to needed down payment and closing costs, the costs associated with conducted required inspections, and housing counseling.

	<b>Describe threshold factors and grant size limits.</b>	<p>Applicants for subrecipient contracts must meet threshold requirements (listed above) and score at least 60 points based on a panel review of each proposal. Grant sizes to sub-recipient are awarded based on score, local market, and available funds. Assistance to homebuyers is based on underwriting criteria and based on need. Please note, 2024 (January 1 - December 31) is year-one of a two-year funding cycle. Any balance not expended during the 2023/2024 program year will be allocated to a Performance Pool.</p> <p>Please note, the next round of applications for a new two-year cycle is Fall 202.</p>
	<b>What are the outcome measures expected as a result of the method of distribution?</b>	DHCD anticipates assisting approximately 80 low/moderate income first-time homebuyers (households) with the DPA method of distribution.
8	<b>State Program Name:</b>	Virginia Homeless Solutions Program (VSHP)
	<b>Funding Sources:</b>	<p>HOPWA</p> <p>ESG</p>
	<b>Describe the state program addressed by the Method of Distribution.</b>	<p>The goals of the Virginia Homeless Solutions Program are:</p> <ul style="list-style-type: none"> <li>• To reduce the number of individuals/households who become homeless;</li> <li>• To shorten the length of time an individual or household is homeless; and</li> <li>• To reduce the number of individuals/households that return to homelessness.</li> </ul> <p>DHCD will meet these goals through supporting Continuum of Care (CoC) strategies and homeless service and prevention programs that align with these goals.</p>

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>All funding requests must be justified by the application and meet a 60-point threshold for funding. DHCD reserves the right to make funding commitments below 60 points to assure geographic coverage. Scoring criteria are as follows:</p> <ul style="list-style-type: none"> <li>• Need and Outcomes -25 points</li> <li>• Local Coordination -50 points</li> <li>• Capacity and Approach -25 points</li> </ul> <p>Actual funding will be based on the following:</p> <ul style="list-style-type: none"> <li>• Requested amount (total request and spending plan)</li> <li>• Available funds</li> <li>• Application score</li> <li>• Local need</li> <li>• Alignment with state and federal strategies</li> <li>• Approach (proposed grantees, activities, and organizational capacity)</li> <li>• Negotiations</li> </ul> <p>Applications are scored lower where ineligible activities or activities that are not aligned with state and federal goals to prevent and reduce homelessness are proposed. Lower scores impact actual funding level. Spending requests are reduced based on ineligible activities, where activities are not in alignment with state and federal goals, and/or where proposed grantees are either ineligible or lack the capacity to carry out proposed activities. DHCD meets with each CoC to negotiate needed adjustments to proposed activities and spending plans.</p> <p>Please note, the 2023-24 program year is year-two of a two-year funding cycle.</p>
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<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Not applicable.</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>This application is a CoC-based application. Only applications submitted by the lead CoC organization are considered for funding. The application submitted by the lead CoC organization has to identify the local process for decision-making and the proposed grantees to be responsible for carrying out the HOPWA and ESG eligible activities. Eligible grantees include community and faith-based non-profits and units of local governments. There are 16 CoCs in the state of Virginia including the Balance of State CoC. The balance of State CoC includes 73 localities and is organized into 12 separate planning groups. For the purpose of this application these planning groups are considered CoCs.</p> <p>Written agreements for the upcoming program year will be issued to individual grantees by July 1, 2023. Please note, the 2023-2024 program year is year-two of a two-year funding cycle. Year two renewals amounts will be based on available funding and year-one performance.</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>This application is a CoC-based application. Only applications submitted by the lead CoC organization are considered for funding. The application submitted by the lead CoC organization has to identify the local process for decision-making and the proposed grantees to be responsible for carrying out the HOPWA and ESG eligible activities. Eligible grantees include community and faith-based non-profits and units of local governments. There are 16 CoCs in the state of Virginia including the Balance of State CoC. The balance of State CoC includes 90 localities and is organized into 12 separate planning groups. For the purpose of this application these planning groups were considered CoCs.</p> <p>Written agreements for the upcoming program year will be issued to individual grantees by July 1, 2023. Please note, the 2023-2024 program year is year-two of a two-year funding cycle. Year two renewals amounts will be based on available funding and year-one performance.</p>



	<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>ESG is allocated primarily to rapid re-housing, but also as needed to shelter operations, and HMIS activities. Priority is given to rapid re-housing expenditures with ESG. Please note, that ESG is allocated in combination with state-funded homeless resources to fund an emergency crisis response system of services.</p> <p>HOPWA is allocated to tenant-based rental assistance, short-term rent, mortgage, and utility (STRMU) assistance, housing placement, housing information services (limited to HMIS related expenses) and supportive services based on actual contracted amounts.</p>
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	<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Grantees are funded as a result of a CoC-based application process. The CoC-based application identified specific organizations that will carry out ESG and HOPWA activities. DHCD contracts directly with these individual organizations or grantees. Grantees must be non-profits or units of local government and current on 990 filings (not applicable to units of government). See the Other Requirements section of this document for more details on limits to funding primarily religious organizations.</p> <p>Grantees must be in compliance with program guidelines and applicable state and federal policies and procedures, including compliance with federal and state non-discrimination laws.</p> <p>Grantees must have established standard accounting practices including internal controls, fiscal accounting procedures and cost allocation plans, and be able to track agency and program budgets by revenue sources and expenses.</p> <p>Grantees with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues are not eligible grantees and any grantee will not be eligible to receive allocations if any of these conditions occur within the grant period. Please note that DHCD will work with all interested parties, where appropriate, toward the resolution of unresolved matters. Recent prior funding agreements must be within the past two years for one or more of DHCD's homeless or special needs services programs (HOPWA or VHSP). An organizational assessment includes a review of organization finances, accounting standards, internal controls, grievance policies, record keeping policies, confidentiality practices, conflict of interest policies, and fair housing practices.</p> <p>DHCD reserves the right to require and conduct organizational assessments of any proposed grantee prior to the execution of any agreement.</p>
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		Please note, the 2023-2024 program year is year two of a two-year funding cycle. Year two renewals amounts will be based on available funding and year-one performance.
	<b>What are the outcome measures expected as a result of the method of distribution?</b>	DHCD anticipates serving 300 households with TRBA and STRMU through the HOPWA funding stream. An additional 375 households will be transition quickly from homelessness to permanent housing with ESG rapid re-housing assistance. 1,800 individuals will be served with ESG rapid rehousing.

## AP-35 Projects – (Optional)

### Introduction:

This section is not applicable.

#	Project Name

Table 48 – Project Information

**Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

This section is not applicable.

**AP-38 Project Summary**  
**Project Summary Information**

This section is not applicable.

**AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)**

**Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?**

No

**Available Grant Amounts**

Not applicable

**Acceptance process of applications**

Not applicable

**AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)**

**Will the state allow units of general local government to carry out community revitalization strategies?**

No

**State's Process and Criteria for approving local government revitalization strategies**

Not applicable

## **AP-50 Geographic Distribution – 91.320(f)**

### **Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed**

This Action Plan is for a state grantee. The commonwealth is extremely diverse in its racial and ethnic composition, and there are numerous areas across the state with concentrated communities of color, including Black, Hispanic, Asian, and others. The commonwealth's methods of distribution selects projects and proposals targeted at meeting priority local needs. During implementation, steps are taken to affirmatively further fair housing.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>

**Table 49 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

There are concentrations of poverty in every region of the state. This concentration varies based on local factors. The commonwealth's methods of distribution will select projects and proposals that address these needs within the context of local and regional needs.

### **Discussion**

Please see individual program guidelines for program details.



## Affordable Housing

### AP-55 Affordable Housing – 24 CFR 91.320(g)

#### Introduction:

Action Plan resource will assist more than 2,500 households within the Commonwealth of Virginia.

One Year Goals for the Number of Households to be Supported	
Homeless	1,800
Non-Homeless	421
Special-Needs	300
Total	2,521

**Table 50 - One Year Goals for Affordable Housing by Support Requirement**

One Year Goals for the Number of Households Supported Through	
Rental Assistance	2,100
The Production of New Units	110
Rehab of Existing Units	241
Acquisition of Existing Units	0
Total	2,451

**Table 51 - One Year Goals for Affordable Housing by Support Type**

#### Discussion:

The additional 70 households reflected in Table 8 but not Table 9 are those receiving direct financial assistance for homeownership through our down payment assistance program. Please see program guidelines for more details.

## **AP-60 Public Housing - 24 CFR 91.320(j)**

### **Introduction:**

Please see below for action taken to address the needs of public housing.

### **Actions planned during the next year to address the needs to public housing**

Public housing authorities are eligible applicants for the state's HOME Affordable and Special Needs Housing program. This is an open competitive application process for affordable housing (homebuyer and rental projects). While assistance cannot be provided in public housing units, these funds may be used in projects that transition units and public housing residents from public housing. The ASNH program awarded several Rental Assistance Demonstration (RAD) projects with HOME and NHTF commitments.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

DHCD supports PHAs and projects that encourage residents to become more involved in the management of rental properties. All CHDO projects must include residents in planning and management.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

There are no PHAs in Virginia with a troubled status.

### **Discussion:**

## **AP-65 Homeless and Other Special Needs Activities – 91.320(h)**

### **Introduction**

The Commonwealth of Virginia has established a policy framework and the infrastructure to address homelessness and to better serve special needs populations. The policy framework, statewide committees, subcommittees, and workgroups are organized around priorities such as youth and older adult homelessness, solutions including rapid re-housing and permanent supportive housing, data, family and chronic homelessness, and veterans. Notably, DHCD meets monthly with the Permanent Supportive Housing (PSH) Steering Group, a cross-agency workgroup that focuses on the following populations: individuals with intellectual or developmental disabilities, individuals with serious mental illness, and individuals experiencing chronic homelessness. The group is in the process of developing coordinated referral methods to leverage existing and future PSH units.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

Since 2010, the commonwealth has decreased overall homelessness by 28%. The goal is to continue the decline annually through the administration of ESG, HOPWA, and state homeless assistance funding.

Within each of Virginia's 27 Continuum of Care and Local Planning Groups, the Commonwealth seeks to support an effective emergency crisis response system to include street outreach, coordinated entry and assessment, targeted prevention, low-barrier emergency shelter, and permanent housing solutions, all in alignment with the Housing First approach, in order to achieve the following goals:

- Decrease the number of individuals experiencing homelessness
- Decrease the length of time households are homeless
- Reduce the number of households returning to homelessness

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

In cases where the prevention of homelessness is not possible or safe, emergency shelter is supported as a temporary measure. DHCD funds emergency shelter operations that are low-barrier and housing-focused for households experiencing homelessness in Virginia. Types of shelters may include scattered site, congregate, seasonal, or hotel/motel vouchers.

DHCD does not fund transitional housing (TH), but all resources are leveraged with those throughout the commonwealth's CoCs and where TH is deemed appropriate, HUD CoC funds are requested. The goal for emergency shelter is to provide low barrier access and safe accommodations to resolve an immediate

housing crisis.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The commonwealth has adopted these goals and through the community-based funding application is able to ensure CoC/LPGs are making community-based decisions to ensure each CoC/LPG has an effective crisis response system.

An effective crisis response system is able to identify and quickly connect people who are experiencing or are at risk of experiencing homelessness to housing assistance and other services. It works because it aligns a community, its programs and services around one common goal – to make homelessness rare, brief, and one-time.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

The commonwealth leverages state resources to prevent households from becoming homeless. These resources are targeted to households seeking shelter who are currently housed by at imminent risk of homelessness (within 14 days).

The following are examples of situations where prevention from homelessness may be feasible:

- Household living in someone else's unit (doubled up) where the right to occupy has been terminated
- Household living in their own unit where housing loss within 14 days is imminent, and homelessness could be averted
- Household living in hotel/motel (paid for by household) and the household is unable to pay for additional nights

Prevention assistance is limited to those households who will imminently lose their primary nighttime residence within 14 days, household income must be below 30 percent of AMI with no more than \$500 in accessible assets (including all checking, savings, retirement accounts, stocks, bonds, mutual funds, and real estate). Additionally, the commonwealth participates in numerous state level committees to address the intersections of homelessness and health care, mental health, criminal justice and the foster care system)

**AP-70 HOPWA Goals – 91.320(k)(4)**

<b>One-year goals for the number of households to be provided housing through the use of HOPWA for:</b>	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	200
Tenant-based rental assistance	100
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	300

## **AP-75 Barriers to affordable housing – 91.320(i)**

### **Introduction:**

As part of the development of the 2023-2027 Consolidated Plan, DHCD conducted an analysis of the impediments to fair housing. The following information below describes the key barriers to fair housing identified in the analysis. Of note, DHCD is in year one of the five-year Consolidated Plan, and the below activities describe intended lines of effort for each of the next five years. DHCD structures policies and programs to help address the barriers and helps to inform localities of the barriers and their responsibility to help address the impediments to fair housing.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The following are key barriers to fair housing in Virginia. DHCD structures policies and programs to help address the barriers and helps to inform localities of the barriers and their responsibility to help address the impediments to fair housing:

1. Discrimination in the rental and sales housing markets. Fair Housing Complaint Data indicates that discrimination based on disability and race is most prevalent in the Commonwealth and nationwide.

- Increase testing and enforcement efforts in the rental and sales housing markets to ensure that members of protected classes are being offered an equal opportunity to access all housing options in their communities; publicize results of testing programs.
- Increase education efforts for landlords, leasing agents, and real estate professionals about their fair housing responsibilities; in particular, stress the importance of making reasonable accommodations for persons with disabilities.
- Increase education efforts for individuals seeking housing so they are aware when they are victims of discrimination and so that they are aware of their options to resolve the situation.
- Increase enforcement of affirmative marketing of affordable housing options to members of the protected classes.

2. Constraints in the mortgage lending market. Data gleaned from the Home Mortgage Disclosure Act (HMDA) demonstrates higher denial rates in the mortgage markets for minorities at all income levels, particularly at the lowest income levels in the conventional loan market.

- Increased oversight of mortgage lending and denial practices.
- First-time homebuyer education, affirmatively marketed to minorities.
- Continued support of financial literacy and credit counseling initiatives.
- Increased awareness regarding the availability of Federal Housing Administration (FHA) and other government supported loans.

- Reassess HMDA data once 2023 changes have occurred which include additional applicant data (including creditworthiness).

3. Lack of fair housing education— among real estate agents, landlords, housing providers, local officials, and individuals— impedes stakeholder understanding of and adherence to fair housing principles.

Training is especially limited outside the major metropolitan areas.

- Increase fair housing educational opportunities for renters and homebuyers; in particular, members of the protected classes.
- Increase the availability of seminars and classes for housing providers regarding fair housing law; expand such educational opportunities to include rural and non-metro areas, consider online venues.
- Up-to-date, relevant, and clearly written fair housing materials for individuals made readily available on multiple state websites and in housing providers' offices.
- Encourage housing providers and other relevant stakeholders to utilize social networking and social media to inform both clients and landlords of fair housing policy.
- Develop a model Tenant Selection Plan (TSP) which includes necessary language to ensure methods for collecting and evaluating housing applications are non-discriminatory. This document will be used as a baseline to score DHCD program applicants' intended adherence to fair housing best practices and incentivize subrecipients to prioritize these concerns.

4. Limited availability and access to quality affordable housing at all income levels; there are a large number of low-income households in need of affordable housing and there are a large number of cost-burdened households, especially in the rental housing market. "Crowding out," and combined transportation and housing costs are areas of concern regarding affordable housing.

- Continued support of federal, state, and local efforts to preserve and produce quality affordable housing.
- Continued support of partnerships between nonprofit, state, local, and federal partners to efficiently leverage resources for the production of affordable housing.
- Support of public-private partnerships that create affordable and mixed-income housing.
- Support of efforts that match appropriately priced housing with varied transportation options.
- Promote the use of housing databases such as those offered by the Virginia Housing Development Authority (VHDA), <http://www.virginiahousingsearch.com/>.

## **Discussion:**

Please see the full Analysis of the Impediments for more details.

## **AP-85 Other Actions – 91.320(j)**

### **Introduction:**

The Commonwealth of Virginia has established a Housing Policy Framework that includes a number of working committees that actively work to address underserved needs in Virginia. These committees are working to improve interagency coordination, to improve service coordination outcomes, and to address barriers.

### **Actions planned to address obstacles to meeting underserved needs**

DHCD structures programs, policies, and procedures to help address underserved needs. These efforts include partnerships with affordable housing developers and the local housing authorities as well as other community development organizations. In addition, DHCD leverages HOME and CDBG funds with state resources to provide financial and technical assistance to affordable housing development projects across the commonwealth.

### **Actions planned to foster and maintain affordable housing**

DHCD structures programs, policies, and procedures to help foster and maintain affordable housing in the commonwealth. These efforts include partnerships with affordable housing developers and the local housing authorities as well as other community development organizations. In addition, DHCD leverages HOME and CDBG funds with state resources to provide financial and technical assistance to affordable housing development projects across the commonwealth.

### **Actions planned to reduce lead-based paint hazards**

DHCD received a Lead Paint and Healthy Homes grant, to be used for lead abatement, administrative, and capacity building activities across the Commonwealth except in those localities that have their own HUD lead grants - Richmond, Roanoke, and Chesterfield. DHCD is partnering with local health departments, and with other state agencies (i.e., Department of Health, Department of Social Services), and with our existing network of providers within our Rehab Program Portfolio to implement the program statewide, except as noted above.

### **Actions planned to reduce the number of poverty-level families**

A number of DHCD programs support efforts to reduce the number of families living at or below the poverty level. These efforts include construction projects where assisted projects are required to provide local benefit in the form of hiring and/or contracting with qualified (local and low-income) individuals or businesses. In addition, DHCD leverages small businesses as well as other community development resources to develop economic opportunity in areas where employment and economic



benefits are limited. DHCD also promotes access to affordable housing in areas of opportunity.

### **Actions planned to develop institutional structure**

The Commonwealth of Virginia has established a Housing Policy Framework that includes a number of working committees that actively work to address underserved needs in Virginia. These committees are working to improve interagency coordination, to improve service coordination and outcomes, to address barriers, and to establish the necessary institutional structures.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

The Housing Policy Framework and committee structure is composed of public and private housing providers and social services agencies that are working together across multiple subpopulations and state and federal agencies to enhance coordination. In addition, the Housing and Supportive Services Interagency Leadership Team, which is comprised of agency heads of state agencies, is actively working to improve the integration of community-based housing and services for individuals with intellectual and developmental disabilities, people with serious mental illness, and people who are chronically homeless.

### **Discussion:**

More details are available online at [www.dhcd.virginia.gov](http://www.dhcd.virginia.gov).

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

#### Introduction:

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.320(k)(1)

*Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.*

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	50,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income</b>	<b>50,000</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	2
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2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.

78.00%

### **Program Specific Requirements: HOME**

***A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:***

The commonwealth utilizes only forms of investment included in Section 92.205.

***A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:***

Recapture Provision: Direct Buyer Assistance

Homebuyer HOME-assisted units structured as direct buyer assistance are subject to a recapture provision that ensures that DHCD recovers its HOME investment in the event of voluntary or involuntary transfer of the property during the period of affordability. Direct homebuyer assistance consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise subsidizes the purchase (e.g., down payment or closing costs assistance). Please note that in some instances, there may also be HOME assistance toward development costs along with direct homebuyer assistance. In these cases, the amount to be recaptured is limited to the amount of direct buyer assistance/subsidy (and does not include the development assistance).

The homebuyer must maintain the property as their principal residence throughout the period of affordability. If the property is voluntarily or involuntarily transferred during the period of affordability, the property is subject to the recapture provisions outlined here.

Virginia will use the recapture provision at §92.254(a)(5)(ii)(1) and recapture the entire amount of the direct HOME subsidy. The total original amount of the direct buyer assistance is recaptured from the net proceeds in the case of sale, refinance (see exception below), or foreclosure. Net proceeds

are defined as the sales price minus superior loan repayment (other than HOME funds) and any closing costs. In these cases, the required amount returned (total assistance amount from net proceeds) is due and payable in full to DHCD. The HOME recaptured amount may not exceed available net proceeds. In the event net proceeds are insufficient to recover the full amount due, the DHCD will recapture the available net proceeds and the HOME obligation will be satisfied. The HOME assistance may not be subordinated to refinancing of the first lien position primary mortgage or an equity loan or line of credit during the period of affordability except under special hardship conditions at DHCD's discretion.

Affordability requirements are secured by a Restricted Deed of Covenant in the amount of direct assistance. In addition, DHCD executes an agreement with the homebuyer to secure the affordability requirements (terms of recapture, principal residency requirement, and noncompliance.) If the property is not sold or transferred during the affordability period, the HOME loan is forgiven in full at the end of the affordability period.

**Resale Requirement: (Homebuyer Development Subsidy Only)**

In situations where the HOME assistance is structured as a development subsidy only (i.e., there is no direct subsidy to the homebuyer and the only HOME assistance is the amount of funds between the total cost to rehabilitate or construct the unit and the fair market value), Virginia requires the use of a resale provision. This means, upon voluntary or involuntary transfer of the property within the applicable affordability period, the home must be resold to an income eligible homebuyer at an affordable price, and the original homebuyer must receive a fair return on his/her investment.

The full provision is on file with the HUD field office.

***A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:***

**Reasonable Range of Low-Income Buyers**

A "reasonable range of low-income buyers" is defined in the VA Program as a household or family with income not greater than 80 percent AMI but at least 60 percent AMI. DHCD defines the sales price that is affordable to this group as an amount whereby the household mortgage payment requires it pay no more than 30 percent of its income for housing costs (principal, interest, property taxes, and insurance).

Please note that the resale price is based on a fair return on investment outlined above. If the resale price is not affordable to the reasonable range of low-income buyers, down payment assistance and/or second mortgage assistance may be provided by DHCD and/or sub-recipients in order to assure affordability to the homebuyer.

VA will use deed restrictions or covenants running with the land to impose the resale and continued affordability requirements as outlined in §92.254(a)(5)(i)(A) of the HOME Rule.

## Noncompliance

During the period of affordability, the owner's compliance with the principal residency requirement will be monitored. A homebuyer is noncompliant with the HOME affordability requirements if he/she fails to reside in the unit as their principal residence without transferring title (i.e., by either vacating or renting the unit to another occupant), or if he/she sells the property without complying with the applicable resale or recapture provision. In the event of noncompliance, DHCD reserves the right to require the buyer to repay the entire HOME investment (including the direct subsidy and any additional development subsidy provided).

***Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:***

HOME funds will not be used to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

## **Program-Specific Requirements: Emergency Solutions Grant (ESG)**

### **Reference 91.320(k)(3)**

***Include written standards for providing ESG assistance (may include as attachment)***

The commonwealth requires that all ESG sub-grantees submit to DHCD written standards (policies and procedures) for providing ESG assistance. At a minimum, written standards must be low-barrier and housing focused. The standards are required to cover process for determining program eligibility, prioritization, and level of assistance; confidentiality procedures; conflict of interest policies; a written grievance policy; data collection requirements; as well as applicable federal and state regulations (fair housing, involuntary separation, ADA, etc.).

***If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.***

All CoCs, Balance of State local planning groups, and all DHCD homeless services grantees must use a local centralized or coordinated assessment/entry system. A local centralized or coordinated assessment/entry system is best practice for a housing-focused approach targeted to helping households experiencing homelessness quickly regain stability in permanent housing. This best practice is also essential to help divert, where possible, households seeking homeless services from shelter – preventing new cases of homelessness.

A centralized or coordinated assessment/entry system must:

- Provide coordinated program participant intakes, assessments, and referrals
- Cover the CoC or local planning group geographic area
- Provide easy access for individuals and families seeking housing or services
- Provide a comprehensive and standardized assessment tool

Each centralized or coordinated assessment system must have in place written standards for determining program eligibility, prioritization, and level of assistance. Each system must conduct regular evaluations to determine overall effectiveness for process improvement measures.

CoCs and local planning groups must provide a local method and point-of-contact appropriate for referrals from state agencies and providers outside of their CoC or local planning group. This contact must directly link individuals or providers to the centralized or coordinated assessment system.

***Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).***

The commonwealth will make sub-awards through a CoC-based application process. CoCs must submit applications for funding through DHCD's online Centralized Applications and Management System (CAMS). The application will be reviewed by a panel and evaluated based on local need, capacity, approach, and local coordination. Applications will identify specific grantees within the CoC to carry out eligible activities. DHCD will contract directly with these grantees. Both nonprofits and units of local government are eligible grantees. Faith-based organizations are required to have separate 501 c 3 status established to meet eligibility requirements. DHCD will monitor individual grantees. Performance measures will be evaluated on both the grantee and CoC level.

***If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.***

Not applicable to state grantees.

***Describe performance standards for evaluating ESG.***

Performance measures are evaluated on both the grantee and CoC level. Specifically, DHCD's goals are to reduce the number of individuals experiencing homelessness, to shorten the length of time people experience homelessness, and to reduce the number of individuals returning to homelessness.

DHCD has had each CoC, and local planning group provide an annual project end of year report. DHCD evaluates aggregate HUD CoC System Performance Measures Data for the evaluation of CoC systems and the homeless crisis response system in Virginia. This report aligns with HUDs System Performance Measures report and is used to rate the performance of each CoC/LPG's crisis system and impacts state funding decisions including ESG.

#### **Program Specific Requirements: HTF**

***How will the grantee distribute its HTF funds? Select all that apply:***

b Applications submitted by eligible recipients

***If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".***

Not applicable.

***If distributing HTF funds by selecting applications submitted by eligible recipients,***

***a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".***

Eligibility requirements are as follows:

- Must be an organization, agency, or other entity (including a public housing agency, or a for-profit entity or a nonprofit entity)
- Must be owner or developer of proposed project
- Must agree to comply with NHTF requirements and all cross-cutting federal requirements
- Must demonstrate the financial capacity to undertake and manage the project development and long-term compliance)
- Must have experience with development and management of similar projects (project type, funding/regulatory requirements, and target population)

***b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".***

Applicant must be an eligible organization with eligible projects. Applications must be submitted in CAMS through the Affordable and Special Needs application by the due date. Please see program guidelines and/or the methods of distribution for more details.

***c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".***

DHCD will select applications using a competitive application process that evaluates proposals on the criteria listed below. Please note there are several individual measures included under each of these basic criteria:

- Meeting critical local need (worth 40 points)
- Feasibility – likelihood of projects coming to a timely, successful completion and likelihood of compliance through affordability period (worth 30 points)
- Developer capacity –ability to successfully complete projects and deliver affordable housing (worth 30 points)
- Minimum of 60 out of 100 points required as threshold for funding

Please see the Affordable and Special Needs Housing program guidelines for more details.

***d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".***

Describe the basis for allocating investments geographically within the state: Virginia's project selection process is an open and competitive application where eligible applicants submit project proposals, and all proposals meeting threshold requirements are reviewed and scored. Priority and scoring preferences are given to high quality projects meeting the highest needs based on income targeting and local market needs. Please see the methods of distribution for more details.

***e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".***

Overall project readiness is evaluated under elements of feasibility (see above). DHCD's application review process is designed to score projects relatively higher based on the degree to which the project is positioned to proceed in a timely manner.

Overall development team capacity is evaluated under elements of capacity (see above). DHCD's application review process is designed to score applications relatively higher based on the degree to



which the development team has demonstrated success with similar projects. Project management's experience managing similar projects is also a scoring criterion under overall capacity.

- f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".***

Applications including rental assistance receive points under the Need criteria (above).

- g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".***

DHCD is not currently considering affordability beyond the required 30 years.

- h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".***

Project must include units targeted at 30 percent or below to be eligible. Those projects also including units targeted to special needs population will receive scoring preference under the Need criteria (above). In addition, applicants receive points under Need (above) for green-building certification, universal design elements, exceeding accessibility (504) requirements, and access to community-based services.

- i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".***

Typically, projects require multiple funding sources in order to address cash flow needs. Applications are evaluated based on the degree to which the requested funds are needed in the project, the degree to which other funding commitments are in place, and the degree to which these funds will help to leverage other resources. Projects that leverage a diversity of resources will be given a scoring preference.

***Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".***

Yes

***Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".***

Yes

***Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.***

Yes

***Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds. Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.***

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

The maximum per-unit subsidy limits for the NHTF will be set at HUD's applicable limits for the to the HOME program. These will be applied statewide and are adjusted by the number of bedrooms per unit. These limits are currently as follows:

Maximum Subsidy Limits

0-Bedroom \$140,107

1-Bedroom \$160,615

2-Bedroom \$195,304

3-Bedroom \$252,662

4+-Bedroom \$277,344

The decision to use the HOME subsidy limits and apply them statewide is based on an analysis of actual development costs for properties in Virginia where there was little variation in average project costs during 2010- 2015 across the state's counties.

Please note that in addition to the subsidy limit, DHCD also applies a subsidy layering analysis to assure that the level of subsidy does not exceed the actual allowable development costs of the unit, that the costs are reasonable and in line with similar projects across the state, that the developer is not receiving excessive profit, and that the NHFT funding does not exceed the amount necessary for the project to be successful for the required 30-year affordability period.

While the Virginia does not include any geographic priorities for funding. Funding requests are evaluated based on local needs/demand relative to all applications submitted for review.

***Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.***

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

The revised rehabilitation standards are attached to this plan.

***Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".***

N/A

***HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".***

N/A

***Grantee Limited Beneficiaries or Preferences. Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the***

***beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter "N/A."***

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

DHCD will give scoring preference to projects that will include more than the minimum 504 units and also to those that target special needs population. Targeting units to special needs populations has been identified as a need and a goal in the annual action plan.

***Refinancing of Existing Debt. Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A."***

Not applicable.

**Discussion:**

Please see the Affordable and Special Needs program guidelines and/or the Action Plan methods of distribution for more details.